



THE INDEPENDENT

N° 3,387

THURSDAY 28 AUGUST 1997

WEATHER: Warm and muggy with showers

(45p) 40p

IN THE TABLOID: FILM

THE FULL MONTY –
ENGLISH MANHOOD
STRIPPED BARE

IN THE TABLOID

WRITTEN IN BLOOD –
THE WIVES' REVENGE

EDUCATION +

HOW GOOD
ARE OUR
UNIVERSITIES?

George turns his back on those two-fingered followers



Edmonton: Oasis brothers Noel and Liam Gallagher following in the footsteps of George Harrison in Abbey Road

John Lichfield
Paris

George Harrison thinks Oasis, who have acknowledged the Beatles as a source of inspiration for much of their music, are "a bit rubbish".

Asked whether he enjoyed groups such as U2, Texas and Oasis, he replied: "Rubbish! They aren't very interesting. It's OK if you're 14 years old. I prefer to listen to Dylan."

"You know what irritates me about modern music, it's all

based on ego. Look at a group like U2. Bono and his band are so egocentric ... The more you jump around, the bigger your hat is, the more people listen to your music ... The only important thing is to sell, and make money. It's nothing to do with talent."

The Beatles, he said, "had a value which will last forever. Today there are groups who sell lots of records and then disappear immediately. Will we remember U2 in 30 years? Or

the Spice Girls? I doubt it. The good thing about them is that you can look at them with the sound turned down."

Harrison, who has not made a record of his own for five years, told *Le Figaro* that he was "still writing songs. I might go into a studio next winter. I would like to record again with the Travelling Wilburys. But Bob Dylan is not well. I'm going to see him soon."

Leading article, page 13

Photomontage: Jonathan Anstee



The original Abbey Road

Police to investigate MI5 leak

Jason Benetto
Crime Correspondent

The head of MI5 has asked Scotland Yard to investigate whether one of its former agents has breached the Official Secrets Act by revealing details of top-level surveillance operations.

The move follows a meeting yesterday between Stephen Lander, the Security Service's director general and Jack Straw, the Home Secretary.

David Shayler, who spent five years working for MI5, has caused a political furor after claiming that Security Service kept personal files on dozens of

prominent individuals including Mr Straw, Peter Mandelson, the minister without portfolio, Sir Edward Heath, the former Tory prime minister and Tam Dalyell, the Labour MP for Lithgow.

Mr Straw and Mr Lander discussed the issues of accountability and surveillance at yesterday's meeting, which was described as "friendly and frank".

Detectives from the Metropolitan Police's Special Branch are to investigate Mr Shayler, who is in hiding in Europe, and will attempt to locate and interview him. Mr Shayler could face up to two years' imprisonment if found guilty of breaking

the Official Secrets Act. The decision by MI5 to call on the police in an attempt to stop Mr Shayler making any more damaging disclosures was immediately challenged by Liberty, the civil rights group, which has pledged to help the former agent fight any attempt to prosecute him.

Mr Shayler's revelations have raised questions about MI5's accountability, and according to the former agent, show the organisation's obsession with gathering information on harmless individuals. Under the Official Secrets Act 1989 it is an offence for any member of MI5 "to dis-

close without lawful authority any official information about security or intelligence."

Any MI5 tapping of MPs' telephones would have directly breached assurances given to the Commons by all prime ministers over the last 31 years, writes Anthony Bevins.

While Mr Shayler has suggested that Sir Edward and Mr Dalyell had files opened on them, it is not clear whether this included telephone interception.

Although a Committee of Privy Councillors reported to Harold Macmillan, then Tory Prime Minister, in 1957, that

MPs were in exactly the same position as any private citizen in regard to the interception of communications, Harold Wilson told the Commons in 1966 that "the balance should be tipped the other way" and he had instructed that there was to be no tapping of MPs' telephones. In 1980 Margaret Thatcher confirmed: "as has each of my predecessors since that time, that the policy remains as stated by [Sir Harold]."

As warrants for telephone intercepts have to be signed by the Home Secretary, tapping of MPs' phones cannot have taken place – unless it has been done, illegally, without warrant.

Volcano drums up a storm in Edinburgh

Charles Arthur
Science Editor

Scientists have discovered an intriguing connection between Edinburgh and the tropics which may explain Robin Cook's abrupt interest in the rumbling Soufrière Hills volcano, now threatening to bury Montserrat.

According to new research, whenever a tropical volcano blows its top, the city of Edinburgh suffers two cold, stormy winters – as do Mr Cook's constituents in Livingston, just 13 miles west of the city, where this October the Commonwealth

For two winters after the April 1815 eruption of Tambora in Indonesia, and that of Krakatoa in August 1883, Edinburgh endured gales of Force 7 or stronger for 70 days of the year – twice the usual frequency. The year after El Chichón erupted in Mexico, in March and April 1982, there were more than 50 days of strong winds recorded in the city.

The connection is probably due to the enormous amounts of dust that volcanic eruptions can throw into the stratosphere. There, the dust circulates over the Earth's surface and temporarily cools the surface below.

The Mt Pinatubo eruption in the Philippines in June 1991 lowered temperatures globally – not just on Scotland's east coast.

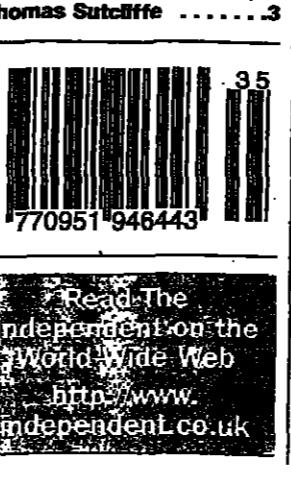
Why Edinburgh and its environs should be particularly chosen to suffer is unclear. Professor Dawson said the precise mechanisms "need to be investigated".

The Foreign and Commonwealth Office (FCO) said it did not know whether Mr Cook was already aware of the research. "Our immediate concern is the people in Montserrat," said a spokesman. "And I think Mr Cook would be sympathetic to bad weather anywhere."

Heads of Government Conference will take place.

Even though the two locations are 4,000 miles apart, investigations by Alastair Dawson, from Coventry University, and Kieran Hickey, from St Patrick's College, Ireland, have found that Edinburgh's meteorological records between 1770 and 1988 – the longest in Europe – show a close match between bad weather and tropical volcanic activity.

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House price rises

Average house prices for England and Wales comparing April/June 1997 with the same period in 1996

Type Average Price % rise

Ditched £106,005 2114,806 8.3

Semi £61,359 £66,563 8.4

Termed £52,288 £58,225 11.3

Flat £33,463 £37,747 11.4

Source: Land Registry

in London, according to official Land Registry figures. A Nationwide survey of house prices out tomorrow will support the finding that other areas of the country are starting to mirror the London trend.

The Land Registry survey showed that in England and Wales as a whole, prices rose by 8.9 per cent from the period of April to June 1996 to the corresponding period this year.

By comparison, the average increase in prices in Greater London was 12.8 per cent, with the average price up from £100,946 to £113,858.

Hartlepool prices went up by 17.9 per cent in the year, more than any other area except Buckinghamshire, where prices increased by 25.3 per cent, and Staffordshire, where there was a 18.9 per cent increase.

Alan Lakey, senior manager of Hartlepool estate agents, Manners & Harrison, said: "The more times people talk about Hartlepool the better for the town. It's quite an exciting place."

Trevor Finn, chief executive of Pendragon, the largest UK dealer chain, said: "The winds are one factor, but people's minds are generally more settled about the economic situation and job security has stabilised." The picture of a national spending spree was fleshed out by the news that the North East is at the forefront of a widespread rise in provincial house prices that is beginning to show similarities to the housing boom of nine years ago.

Prices in the Hartlepool constituency of Peter Mandelson, the minister without portfolio, are now rising faster than those

Source: Land Registry

in the year before. The turnaround is reflected in the alarming slide in Ford's market share to just 16 per cent, down from almost 22 per cent in 1995.

Private buyers are increasingly opting for imported makes such as Renault, Fiat and Volkswagen.

This August was only the second time that registrations have topped the half-a-million mark in the month. Private buyers, who were notoriously cautious last year about committing themselves to "big ticket" purchases like cars, have flocked to spend their windfall bonuses from building society conversions and takeovers.

Trevor Finn, chief executive of Pendragon, the largest UK dealer chain, said: "The winds are one factor, but people's minds are generally more settled about the economic situation and job security has stabilised." The picture of a national spending spree was fleshed out by the news that the North East is at the forefront of a widespread rise in provincial house prices that is beginning to show similarities to the housing boom of nine years ago.

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Must Saturday night be a TV desert?

The reprieve of Cilla Black this week underlines the failure of the big channels to grab the young and upwardly-mobile

By Paul McCann
Media Correspondent

Speculation this week that *Surprise Surprise*, Cilla Black's family reunion show, would be cancelled by incoming ITV director of programmes David Liddiment brought the focus in broadcasting onto what to do with Saturday night TV.

Such is the sensitivity ITV has about upsetting Cilla, who is paid £3.5m over two years, that ITV immediately issued a denial of the story.

But the well-placed ITV source for the story was not the only reason for it running. Once *Surprise Surprise* took 12m viewers - it has slumped to five or six million this year.

Fifteen years ago even middling Saturday night variety quiz shows like Ted Rogers' *2-2-1* could easily bring in 15m viewers. It was the night of the week with the biggest number of available viewers and broadcasters used lowest common denominator fare with its roots in the variety theatre to target the population as a whole.

Today these shows are virtually the same, Jim Davidson may have taken over from Larry Grayson and Bruce Forsyth, but the Generation Game lives. In 1982 Noel Edmonds hosted the *Late Late Breakfast Show*, now he has a *House Party*.

Relative to other formats these programmes still bring in viewers and they are cheap to make. But now only *Blind Date* and *Noel* regularly top 10m.

"The broadcasters are in a Catch 22 situation," says Alan James, TV buying director at advertising agency Ogilvy & Mather. "They bring sizeable numbers, but this means they are terrified of trying anything new. They are trapped with these kinds of programmes and the audience for them is getting older and starting to die off."

Paul Jackson, the BBC's head of entertainment admitted earlier this year that some Saturday night formats have fallen out of fashion: "Variety is going through a cyclical period of unpopularity. It has tended not to deliver recently."

The BBC, although relying heavily on variety acts for the National Lottery Live, has been



TV times: Saturday with Cilla on the BBC in 1973, above, while ITV featured Reg Varney. Programming Nineties style with the *Airport* team below

ographics were fine. But now the growth in advertising is coming from the cars, mobile phones and leisure products that are targeted at the young and upmarket.

Some at the BBC are looking for Saturday salvation by producing more of what TV jargon calls popular factual shows.

These can be the people observation programmes - known as POBs - like *The Driving School* or *Airport* that work well for the BBC on weekdays, or the more dramatic *Emergency 999* and *Police* reconstruction programmes that both broadcasters air.

These have the advantage of being cheaper to make than the guaranteed ratings winners like police and costume dramas, but may not be strong enough to bring in younger, upmarket viewers.

The fact is that those who watch any TV on Saturday evenings are increasingly getting older and more downmarket: "Those who can afford to have got better things to do with their Saturday nights," says Anthony Jones of CIA MediaLab. "Eating out and going to the cinema have rocketed up since the end of the recession, it might not just be that TV is running out of steam. The audience is running out on TV."

But some in the media question if it is possible to rescue the big Saturday night in front of the TV: "It is a changing social environment," says Ian Lewis head of broadcasting at Zenith Media, the country's largest airtime buyer. "There is no going back to a time when one type of entertainment was enjoyed by great swathes of the population."

Cracker the overweight, chain smoking, criminal psychologist is to return to British TV screens as a thin American who plays with cigarettes without lighting them.

In a twist worthy of the programme, Granada sold it to American television producers this year and its subsidiary, Granada Entertainment USA, has now sold the US version back to ITV to be shown here. The name *Cracker* is thought to have been dropped by the Americans because it is a racist term for whites.



Not a lotta laughs: Cilla Black in *Blind Date* but her other *Surprise Surprise* show is the subject of speculation that it may be axed

Photograph: LWT

The prize for artists who prefer painting to pickling



Contemporary classics: James Rielly's 'Secrecy' (left) and 'Orange' by Rose Wylie, two of the finalists for the £30,000 1997 Jerwood Prize, Britain's biggest art award, which is judged tomorrow

Joe Moyes

Britain's biggest art prize will be judged tomorrow. But you are unlikely to have heard of it - even less to see much written about it.

The Jerwood Prize comprises £30,000 award for painting, making it, against the Turner's £20,000, the most lucrative in British contemporary art. Yet the Turner Prize, with its pickled sheep and infant terrier exhibits, has consistently stolen the headlines.

The Turner, although it includes paintings, tends to favour the more fashionable and controversial conceptual and installation art. The artists on last year's shortlist, for example, had between them staged exhibitions featuring human bones, a sleeping actress, a video of naked men in the bath, and photographs of objects being thrown over the cliffs at Dover. There was not a single painter on the shortlist.

Organisers say one of the objectives of the Jerwood Prize is to provide a counterpoint, and highlight the quality of painting in Britain. Patricia Morison, development director of the Jerwood Foundation, which sponsors the prize, said yesterday that the Jerwood hoped to raise the profile of painting - a "quiet", but just as vibrant art.

Painting, she said, often did not get the space it deserved in galleries, or the acclaim from the wider public. "It's a bit like saying poetry is overlooked if you compared it to the novel. The novel surely gets a higher profile."

The prize was set up four years ago by the 20-year-old Jerwood Foundation, a private trust which supports arts, education, design and medicinal initiatives. Organisers said of it at the time: "The Jerwood shortlisted artists cannot, thankfully, be emblazoned as 'Young British', but what they produce

is just as much of the here and now as pickled sheep and concrete houses."

A distinguishing feature of the Jerwood, according to organisers, is that its judges are "strongly weighted" towards the academic, and are different every year. "There's plenty of space for people to make judgements unaffected by what is current fashion," Dr Morison said.

Unlike the Turner, the most controversy it has attracted came in 1995 when judges were unable to agree on a winner, and instead chose to split the prize between two of Britain's best known painters, Maggie Hambling and Patrick Caulfield.

An exhibition of work from the nine candidates will be held at the Lethaby Galleries, Central Saint Martins College of Art and Design in London from 30 September.

includes a former Turner shortlisted artist - Gary Hume.

Other artists on the shortlist are: Jane Harris; Louise Hopkins; Maria Lalic; Jason Martin; Joanna Price; James Rielly; Madeleine Strudberg and Rose Wylie. They may be names unknown to the general public, but, as Dr Morison points out, even the most popular pursuits are unlikely to be followed by everyone. "Millions of people know the names of footballers, whereas the other half don't have a clue," she said.

The list has been narrowed down from nearly 1,000 submitted paintings. The judging is due to take place today, although the winner will not be announced until 29 September.

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Camera obscura: Paul Thompson puts an exhibit into storage at the National Museum of Photography, Film and Television in Bradford, which is closing down on 1 September for a £13m refurbishment. The museum will reopen to visitors early in 1998. Photograph: Andrew Buurman

Diet pills bad for the heart, say doctors

Jeremy Lawrence
Health Editor

Diet pills taken by millions of people have caused heart disorders in young women and should be banned for all patients, except those who are seriously obese, doctors say today. One 29-year-old woman, who had taken a combination of two appetite suppressants for just 23 days, died of pulmonary hypertension - increased resistance to the flow of blood through the lungs.

The American woman, who was 5ft 5in tall and weighed 13-and-a-half-stone, died eight months after stopping the drugs - fenfluramine and phentermine. A post-mortem examination indicated that lesions on her pulmonary arteries had developed as a result of brief exposure to the drugs.

Her case is described in today's *New England Journal of Medicine* which also carries a report on 24 women who developed a disease of the heart valves after an average 12 months on the same drugs.

One of the 24 had taken the drugs for only one month. A third of the women had also developed pulmonary hypertension.

The *Journal* considered the findings of that study, conducted by a team from the Mayo Clinic in Rochester, Minnesota, to be so serious that they allowed them to be released in advance of publication. A warning based on the findings, issued by the US Food and Drug Administration last month, led to reports of a further 28 cases from across the US, some associated with other appetite suppressants.

An editorial in the *Journal* says that the cases are "chilling reminders that succumbing to the allure of diet pills as a quick fix for excess weight may be courting disaster." It says they carry a disturbing echo of previous outbreaks of pulmonary hypertension in Europe in the late 1960s and early 1990s, which were also linked with appetite suppressants.

Diet pills have become a national craze in the US, and their

use is growing in Britain. More than 18 million prescriptions for fenfluramine combined with phentermine were issued in the US in 1996. The *Journal* says the use of diet pills for cosmetic reasons should be banned until their risks are better known.

The only justifiable medical use of anorectic [appetite-reducing] drugs is in seriously obese patients who have obesity-related illnesses such as heart disease, diabetes and hypertension.

For generally healthy people who want to lose a few pounds there are safer alternatives.

A report on obesity by the UK Royal College of Physicians, published in May, concluded that the use of appetite suppressants in the very fat was justified where other methods of weight loss such as diet and exercise had failed.

It said obesity was a serious medical condition with an increased risk of joint disorders, heart disease and diabetes and even a 10 per cent loss of weight could significantly reduce these risks.

Exam board points to howlers of past

Judith Judd
Education Editor

If educational standards are falling, they have been falling for a very long time, an exam board suggested yesterday.

Tired of the annual round of complaints that GCSE and A-level exams are not what they were, the Associated Examining Board produced evidence that the cry of "standards are falling" goes back for nearly 140 years.

The GCSE, say the critics, is a doodle compared with its predecessor, the O-level. Yet, the board points out, in 1985, during the golden days of O-level four out of a group of 20 well-qualified trainee travel agents thought that Manchester

was in Scotland. One thought that Killarney was in Greece. On average, the group had six good O-levels each.

In the same year, British Midland Airways complained to the board that the most common error among its trainee reservation staff was that Bangkok was in Hong Kong and Brussels in Amsterdam.

Complaints by examiners and employers that young people cannot spell, punctuate or write grammatically are scarcely new.

In 1931, the Junior County Scholarship Examination Report listed "tow" (two), "welt", "fifty", "hundred" and "severn" as commonly misspelt numbers.

"Spelling will always be a source of much trouble in our

language," said the report. "There was much confusion over such words as 'steal' and 'steal', 'wring' and 'ring', 'alms' and 'arms', 'Wales' and 'Whales', 'rays' and 'raise'... It's (the pronoun) was almost universally so spelt, though not greatly to the surprise of those who constantly receive letters subscribed 'Yours sincerely'."

And if schools are blamed today for not teaching grammar, the critics are following in a long tradition. In 1858, examiners protested that "the principles of Grammar as exhibited in the English Language are not made a matter of systematic study in our schools."

The examining board's director responsible for liaising with industry, George Turnbull, said: "Almost 140 years later we hear the same comment from those who should know better. It's time they stopped making a drama where there is no crisis - other than the one that has always been with us."

"These examples illustrate that it was ever thus, and though we should always strive to improve, the euphoric glow of past grandeur and excellence in education must remain a figment of a fertile imagination."

See Front Page
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he had not been charged for a bottle of wine.

The errors occurred at Sainsbury, Safeway and Morrisons, despite the fact the industry had invested millions of pounds on new technology at checkouts including barcode scanning.

The supermarkets said most of the overcharging could be put down to human error.

Consumers could be said to be, in part, authors of their own misfortune. Few check their till rolls carefully after taking the shopping home, and even if they discover minor discrepancies they do not bother to complain.

A spokeswoman for *The Grocer* said: "We found human error was in blame in most cases. The speed at which some checkout staff pass items over scanners is bound to lead to mistakes. Very few people would notice these mistakes. We are talking about pennies. But we have spotted it as an issue and our shoppers have spotted these mistakes on their till rolls - it is a concern."

Consumers' Association spokeswoman said: "The only way to be absolutely sure you are not paying over the odds is to go to the supermarket equipped with a calculator, notebook and pen, taking down what everything should cost and keeping a running total which can be compared with the total charged at the till."

Army short of soldiers takes strain off recruits

Christopher Bellamy
Defence Correspondent

The army yesterday launched its new motto: "Build - Don't Break. Train - Don't Select", and introduced measures to increase recruitment. Despite being 5,000 soldiers short, John Reid, the armed forces minister, denied that the army would lower the standards expected of trained troops.

"Army training needs modernisation not mollycoddling", Dr Reid said.

"Recruits will do more training, not less," Dr Reid was speaking at the launch of the new Army Training and Recruitment Agency at Farnborough, Surrey. This agency has been set up in the hope that the army will not only get enough recruits but keep them.

As part of the recruitment drive, the army will increase "pre-training" to a possible six weeks. Until last year, when pre-training was first introduced, 25 per cent of recruits were completely failing the basic training. Pre-training reduced that level to 17 per cent.



Turning a blind eye: The armed forces minister, John Reid, walks past a new recruit who fell while training

THURSDAY 28 AUGUST 1997 • THE INDEPENDENT

Political Diana stirs up a row

Fran Abrams
Political Correspondent

The Foreign Secretary stepped in to defend Princess Diana yesterday after she came under fire for telling a magazine that the Tories were "hopeless" on the issue of landmines.

But despite the Princess's apparent belief that Labour has been "straight" on the issue, and its imposition of a ban on the use of mines by British troops. *The Independent* has discovered that thousands of soldiers are still receiving training in how to plant them.

The Princess had been quoted in the French magazine *Le Monde* as saying: "Labour's position has always been absolutely clear. It's going to do terrific work. Its predecessor was absolutely hopeless."

Yesterday she was forced to issue a statement claiming that she had never made the criticism and had always remained apolitical. However, Robin Cook had already moved to capitalise on the reported comments.

"I am very pleased she recognises the Labour Government shares her concern and has already made very substantial progress towards signalling Britain's complete withdrawal from the production and trade in landmines. I have immense admiration for the courage she has shown in taking such a lead on this issue," he said.

Opposition politicians and anti-mine groups have reacted angrily to the revelation that a loophole in the moratorium announced in May has allowed British forces to continue exactly as they did before.

The Royal Engineers, who make up 9 per cent of the army, with almost 10,000 troops, continue to be trained in the use, detection and countermeasures of landmines. RAF fighter crews are still taught how to drop HB 876 bombs - also included in the ban - which are designed to sit in battlefield rubble and to explode when clearance teams move in.

Three people are killed or injured by landmines every hour in countries including Angola, Bosnia, Cambodia and Afghanistan. The weapons can remain in the ground for years before exploding when they are disturbed, often blowing off the limbs of farmers and villagers who return to their land.

In its manifesto, Labour promised an immediate moratorium on the use of mines, but when it made a formal announcement three weeks after the election it banned only "operational use," thus allowing training and testing to continue.

A further rider added that they could still be used if ministers believed they were necessary for the security of British forces.

A spokeswoman for the Ministry of Defence confirmed that testing and training were continuing as before, though the majority of training was in counter-mine measures. The Royal Engineers were taught anti-mine warfare while other soldiers going to areas such as Bosnia were given specific training.

Troops need to maintain viability in case the situation should arise where it was necessary for the security of our troops. Ministers would obviously think very carefully before making such decisions," he said.

The ban will take full effect in 2005 if an international moratorium does not come in earlier. Britain has spent £30m since 1991 on mine clearance. There are no figures on how many mines Britain still holds, though it is believed there are tens of thousands. Half have now been destroyed with a view to phasing them out.

The Liberal Democrat defence spokesman, Menzies Campbell, said the public had been led to believe there was a complete ban. "Certainly it was not made clear to the House of Commons that this was the case. A little more frankness would have been welcome."

Letters, page 13

A-levels win image battle with GNVQs

Judith Judd
Education Editor

Exam officials and ministers yesterday welcomed the growing popularity of vocational qualifications, introduced as an alternative to GCSE and A-level, but academics said they were failing to compete with A-levels.

More than 90,000 students achieved full General National Vocational Qualifications this year, an increase of more than 10 per cent on last year. For the advanced GNVQ, the proportion achieving the equivalent of at least one A-level was almost 70 per cent.

Kim Howells, the education and employment minister, said the Government was committed to strengthening vocational qualifications. "GNVQs continue to gain in popularity with some 240,000 students having achieved full GNVQ awards in the five years since the qualification was launched. They are a motivating and rewarding option for more and more young people," he said.

But Professor Alan Smithers of Brunel University said that advanced GNVQs were struggling to establish themselves in competition with A-level. There was an increase in completions

of only 6,000 this year compared to 1996, whereas in English A-level alone there were 7,000 more passes.

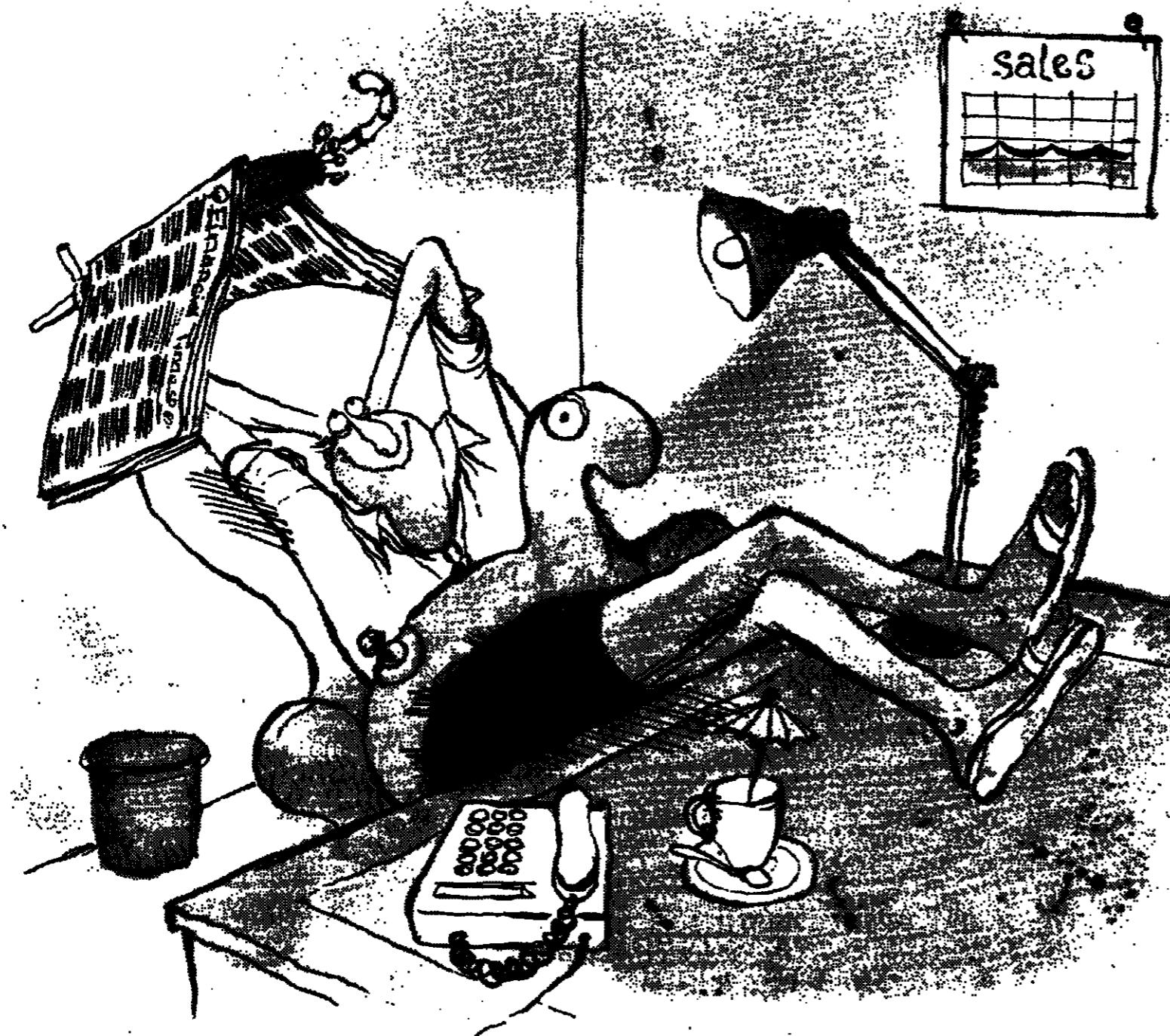
The proportion of students who successfully completed a full advanced GNVQ, the equivalent of two A-levels, fell slightly this year to just under half. Exam board officials said that it is too soon to say why the completion rate for advanced GNVQs was down. One possibility may be changes in the course.

Professor Smithers said: "GNVQs do not seem to be establishing themselves as the equivalent of A-level in the way that we hoped. They are seen as qualifications for people who cannot cope with A-level. We need to look again at 16-19 education and at the suggestion, for instance, that A-level and GNVQ Business Studies should come together as an applied A-level."

Unlike A-level and GCSE, there is no final exam for GNVQs. Instead, students' work is assessed by a series of pieces of coursework and tests which may take longer than two years to finish.

This year, the proportion of advanced GNVQ students who received offers of university places was 94 per cent, up 2 per cent on last year.

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Job-share victory breaks glass ceiling

Barrie Clement
Labour Editor

A ground-breaking settlement announced yesterday will make it easier for women at senior levels to force employers to agree a job-share following maternity leave.

Management at the Zurich Insurance Company has signed a £20,000 out-of-court settlement with marketing manager Janet Schofield, who was refused such an arrangement and claimed sex discrimination.

Although the informal agreement between the company and Ms Schofield will not form a precedent in future cases, the Equal Opportunities Commission, which backed the litigation, believes companies will now think twice before refusing a

job-share without good reason.

Ms Schofield, 36, said that during her four years with Zurich at its Portsmouth offices, many people worked hard to ensure equal opportunities. But a few senior managers only paid lip service to the idea:

"I was told that if I wanted to work for the company I would have to be prepared to work a seven day week. That made me angry and so I decided to stand up and be counted," she said.

After the birth of her first child in 1995, Ms Schofield sought to return part-time to her job as a marketing support manager with Zurich's life assurance division. She was told there were overwhelming business reasons for insisting that the job should be full-time.

She accepted the validity of



management's objections, but tried to set up a job share involving a different post in another department. The company contended there were sound arguments for the £40,000-a-year job being done

by one person working full-time. Ms Schofield, of Winchester, Hampshire, disagreed and decided to take the company to an industrial tribunal.

Elizabeth Hodder, deputy chairwoman of the commun-

sion, said that access to job-shares and part-time working was a crucial issue for women in senior posts. "If women are ever to break through the glass ceiling, it is essential that employers offer family-friendly

polices." She pointed out that women made up 55 per cent of workers in non-manual jobs, but still accounted for only 15 per cent of senior and middle managers.

"Employers have to show

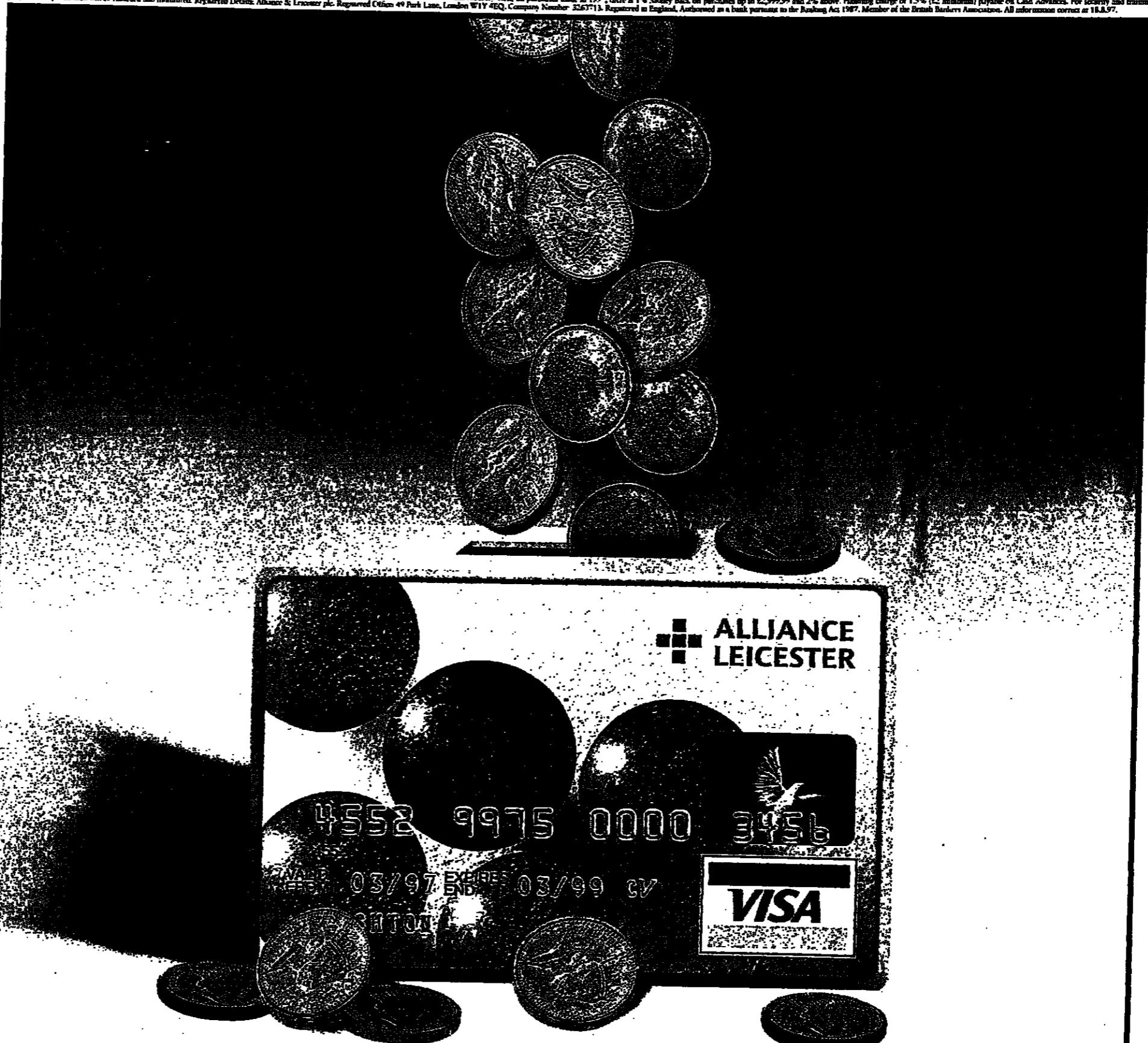
strong objective reasons for not making job-sharing available to staff with family responsibilities. Intelligent employers already know that practices which encourage mothers to return to work maximise the return on

their financial investment. Keeping the skills and experience of senior staff and reducing re-training and turnover costs is good business sense."

Together with the financial settlement, Zurich has agreed to review its job-share policy for senior staff. Linda Taylor, the company's employee relations manager, insisted that Zurich had a strong commitment to equal opportunities and pointed out that its workforce in Britain was almost exactly 50 per cent male and 50 per cent female. Out of 315 managers, 42 were women and two out of 11 senior directors were female, Ms Taylor said.

The company also employed people on part-time and job-share arrangements and allowed flexible working hours for those with family responsibilities. Ms Taylor said the company was happy to agree the settlement with its former employee, but it did so for "commercial and practical" reasons without any admission of liability.

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DAILY POEM

Morwenstow

By Charles Causley

Where do you come from, sea,
To the sharp Cornish shore,
Leaping up to the raven's crag?
From Labrador.

Do you grow tired, sea?
Are you weary ever
When the storms burst over your head?
Never.

Are you hard as a diamond, sea,
As iron, as oak?
Are you stronger than flint or steel?
And the lightning stroke.

Ten thousand years and more, sea,
You have gobbled your fill,
Swallowing stone and slate!
I am hungry still.

When will you rest, sea?
When moon and sun
Ride only fields of salt
And the land is gone.

This week's Daily Poems celebrate the 80th birthday of the Cornish poet Charles Causley. His *Collected Poems 1941-1997* is published by Macmillan (£20) and his *Selected Poems for Children* by Macmillan Children's Books (£5.99).

news

Winner: Janet Schofield has received a settlement of £20,000 after being refused a job share by her employers following maternity leave

Photograph: Adrian Dennis

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levels
ge
batt
GNV

Cot death or Sudden Infant Death Syndrome, is the most common killer of babies aged between one month and one year, accounting for the death of almost 10 babies each week. The number of deaths is substantially greater than the number of children under-15 killed on the roads, or who develop cancer.

Experts said it may materialise that the increase is a statistical anomaly. Richard Cooke, professor of paediatric medicine at Liverpool University, said: "Perhaps this is a blip. It's too early to rush around in a mad panic. I suspect it's just

a wobble. We couldn't expect the figures to keep going down. What's interesting is that a third of the increase is made up of changes in Northern Ireland and in Scotland there was actually a decrease."

Professor Cooke said cot death was more prevalent in less privileged groups, due to changes in child management. "It's not a single disorder, it's a result of many things impinging on a vulnerable child. It used to be widely spread, but we are finding more and more that it occurs less in better off families. In a recent survey in Liverpool, more than 80 per cent of mothers whose babies died of cot death, were heavy smokers. And heavy smoking amongst mothers tends to be in the poorer groups," he said.

Joyce Epstein, the foundation's secretary-general, said: "While parents shouldn't feel unduly panicked, any increase is a worry, every single baby's death is tragic. We don't know exactly why this has occurred, we hope it is just a one-off rise. What is clear is that further research is still needed to shed light on to why babies die."

Doctors advise parents to follow the foundation's six-point Reduce the Risk plan:

- Put babies on their backs to sleep;
- Cut smoking during pregnancy – fathers too;
- Don't let anyone smoke in the same room as the baby;
- Don't let the baby get too hot;
- Keep the baby's head uncovered and
- If the baby is unwell, seek medical help promptly.

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international

Milosevic enters Bosnian fray

Andrew Gumbel

Slobodan Milosevic, the strongman of Serbia, looks set to fly into Serb-controlled Bosnia today or tomorrow – his first visit to the region since the height of the war – to intervene in the increasingly bitter power struggle between supporters of his erstwhile protege, Radovan Karadzic, and the current darling of the western diplomats, the Bosnian Serb President, Biljana Plavsic.

A Nato spokesman in Sarajevo said that Mr Milosevic had sought permission to fly from Belgrade to Banja Luka, Mrs Plavsic's headquarters, sometime later this week and the trip looked like a classic Milosevic manoeuvre to ensure that, whatever the outcome of the crisis, he would get the credit for clearing it up.

The power struggle in the so-called Republika Srpska, the Serb-held north and east of Bosnia is known, has reached

new heights of bitterness since the weekend, when Mrs Plavsic succeeded in wresting control of the Banja Luka studios of state-controlled television.

Thanks almost certainly to the noisy support she has received from the West, she has also won over as many as half the deputies in the Bosnian Serb parliament, a sizeable chunk of the police and possibly 50 per cent of the mini-state's army commanders.

Mr Karadzic's followers, led

by the Serb member of the three-man Bosnian federal presidency, Mouscio Krajisnik, have seen their power base in Pale, in the mountains above Sarajevo, gradually chipped away since the crisis erupted in July.

Western governments are portraying the conflict as a stand-off between a pragmatic Mrs Plavsic – seen as willing to take steps to implement the Dayton peace accords – and a hardline Mr Krajisnik, who is denounced as a black marketeer

interested ultimately in partitioning Bosnia into two or three separate units.

The reality is more complicated than that, since Mrs Plavsic is an unrepentant nationalist with some highly unsavoury characters in her camp. While it is true that Mr Krajisnik has been organising a highly lucrative black economy, he is also believed by local observers to be capable of pragmatic talk as long as the pay-off is attractive enough. A key fac-

tor in the whole equation is Mr Karadzic, the number-one wanted man at the international war crimes tribunal.

The struggle boils down to that subject on which Mr Milosevic is so learned – power. Up to now, the master manipulator of Balkan politics has played both sides against the middle, overtly supporting Mrs Plavsic one day while making little secret of keeping lines of communication open with the other side.

THURSDAY 28 AUGUST 1997 • THE INDEPENDENT

significant shorts

Israelis ease travel ban curbs on Palestinians

Responding to local and international pressure, Israel last night lifted a month-long ban on Bethlehem Arabs travelling to other parts of the West Bank. The army also began to let Christian pilgrims from abroad visit Jesus's birthplace unmolested. Like the rest of the 2 million West Bank and Gaza Strip Palestinians, however, the 60,000 inhabitants of Bethlehem and its neighbouring villages are still barred from entering Israel. The closure was imposed after two suicide bombers killed 14 Israeli civilians in a Jerusalem market on 30 July.

Eric Silver – Jerusalem

N Korea suspends US talks

North Korea followed the defection of a high-level diplomat by suspending talks with the US designed to curb its missile sales abroad and a build-up at home. It told the State Department that its negotiators were returning to Pyongyang. The talks were due to open yesterday in New York and run for three days.

AP – Washington

Disco bombing suspect held

Musbah Abuhalassem Eter, a Libyan who fled Germany after allegedly confessing to a role in the 1988 bombing of a Berlin disco was arrested as he strolled down a Rome street. The disco bombing killed two US soldiers and a Turkish woman, and injured 230, many of them American soldiers. The attack prompted the US administration to order the bombings of Libya's two biggest cities in April 1986.

AP – Rome

Paris's new spymaster

France appointed a left-winger, Jean-Jacques Pascal, to head the country's counter-espionage operations, the Direction de la Surveillance du Territoire. He has been police personnel director and head of the Renseignements Généraux, the political intelligence unit.

Reuters – Paris

Croatian Serbs trek home

More than 200 Croatian Serbs left the enclave of Eastern Slavonia to return to their homes across Croatia in the biggest such movement so far. Eastern Slavonia, which has been run by the UN for a year and a half, should revert to Zagreb rule in January next year. Between 110,000 and 140,000 Serbs are estimated live there.

Reuters – Zagreb

Orthodox approach

The head of the Russian Orthodox Church, Alexiy II, said that "North American standards" of freedom of religion should not be applied to Russia. "We must completely bar proselytising," Alexiy said, referring to "non-traditional" faiths, following a meeting with the archbishop of Vienna.

Reuters – Moscow

Follow that car

Police in the Brazilian city of Recife were left without transport after authorities seized about 100 stolen cars being used by officers. "It was normal practice for detectives and inspectors to commandeer stolen cars and use them as if they were their own," said Pedro Francisco da Silva, a spokesman for the security department of Pernambuco state.

Reuters – Brasilia

Swiss sterilisation scandal

Swiss women's groups reacted with shock and outrage to revelations by a historian that doctors sterilised mentally handicapped patients against their will under a law passed in 1928. Hans Ulrich Jost, a professor of history at the University of Lausanne, told Swiss television that many Swiss people – nine out of 10 of them women – were affected by the campaign in the French-speaking western canton of Vaud. He said that a copy of the law, which was passed in Vaud in 1928, was requested by Adolf Hitler in 1934 as a basis for Nazi Germany's own racist legislation.

Reuters – Geneva

Sweden's Olympic fears

A week before the 2004 Olympics site is chosen, Stockholm's hopes of winning are overshadowed by threats that terrorists will strike again. A shadowy extremist group opposed to Stockholm's bid claimed responsibility for Monday's bombing of Sweden's largest stadium, the New Ullevi in Gothenburg. The claim was contained in a letter sent from Sweden and received by The Associated Press in London.

AP – Stockholm

Gulf Americans warned

The US embassy in Kuwait told Americans in the Gulf state to be cautious after a caller warned of a possible attack against a US target today.

Reuters – Kuwait

Japanese aim high with Concorde-san

Richard Lloyd Parry, Tokyo

The Japanese government is developing a supersonic passenger aircraft, three times the size of Concorde, which could fly between Tokyo and London in little more than five hours.

Concorde-san, as the new project is likely to become known, is intended to carry 300 passengers, about the same size as the current generation of sub-sonic jumbo jets. It will fly at a speed of Mach 2.4 compared to Mach 0.85 for a Boeing 747-400, drastically reducing the current flight time of 11 to 13 hours between Japan and western Europe.

Financially viable supersonic travel is one of the holy grails of the aerospace industry. But the high cost of the technology, has so far rendered projects like Concorde unprofitable. The Japanese aircraft is being developed by the Ministry of Trade and International Industry in collaboration with a consortium of private companies including Mitsubishi Heavy Industries.

Last year, the ministry spent 3.75bn yen (£20m) on the research and development of a Mach 5 supersonic engine known as HYPR, and it is hoped

to spend ¥800m in 1998 on developing materials for building a supersonic aircraft body. The aluminium alloy currently used in passenger jets cannot withstand the 200 degrees centigrade temperatures generated through wind resistance during supersonic flight, and Mitsubishi hopes to come up with a carbon fibre composite alloy capable of performing the task.

Japan's aerospace industry has had little impact on the international market, largely because the country's post-war "peace constitution" forbids it from exporting any military equipment or technology. A number of civilian aircraft have

been developed but they have all been commercial failures, and the latest effort, a small passenger jet called the YSX, is a "paper plane" and has not been manufactured in large numbers.

"They've proved that they can build aircraft, but the problem is selling and supplying them in competition with far more experienced companies like Boeing and Airbus," said Paul Lewis, Asia editor of *Flight International*. "Their imagination has been caught by the dream of producing something futuristic for the 21st century, but if they've continually failed to build a small 100-seat jet, it's unlikely that they'll ever do it on their own."



An artist's impression of the Japanese supersonic passenger aircraft to rival Concorde. Photograph: Quadrant Picture Library

If we're
faster
and
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David Warbeck

When David Warbeck first arrived in London from New Zealand in 1965 he must have quickly realised that his face was his fortune. Possessed of that brand of good looks usually described as ruggedly handsome, his powerfully masculine presence was the very stuff of an action-man hero or the dashing, fang-jawed lover on the cover of a Barbara Cartland romance.

He went on to achieve cult status as the star of a whole series of cheaply made, racy Italian action movies, but it was as a photographic model that he quickly earned his early success, becoming a familiar image in countless advertising shots across the world promoting everything from Courvoisier brandy and Martini to cable-knit pullovers, blue jeans and ice cream. His modelling career proved lucrative and through the Seventies and Eighties he could command £300,000 for a couple of television commercials.

However the dual career he pursued for less money but with far greater zest – and which appealed far more to his cheerfully extrovert sense of adventure and fun – was as an actor in a huge number of shock and horror movies. During 25 feverishly busy years he appeared in nearly 80 films. Most were Italian, many of deplorable quality, and nearly all of a genre known as exploitation or exploitation – and sometimes, to those in the know, as "spaghetti splatter".

In 1972 he got his first Italian film job in *A Fistful of Dollars*, actually a superior spaghetti western, directed by the redoubtable Sergio Leone, in which he was spotted by a wily Italian talent agent who secured him, five years later, the starring role in *The Last Hunter* which not only placed Warbeck firmly in the lead but had him cruelly menaced by strafing helicopter fire, rats, snakes, giant spiders and some appalling oriental actors.

Bearing such titles as *Cat O' Nine Tails*, *Killer Fish*, *Zombie Flesh-eaters* and *Cosmic Killer*, the posters for Warbeck's films invariably depict him fending off, with appropriate ferocity, a whole barrage of lethal dangers including giant cobras, naked female vampires, whole armours of deadly weapons, death rays from outer space, man-sized rats and frequently blonde bimbos.

As a seasoned traveller in the gory land of schlock Warbeck's forte was to shoulder the burden of these absurd inventions with a light and easy assurance and much self-effacing charm, retaining in the face of all this lurid mayhem a reasonably straight-faced dignity. The fact was that he relished the nonsense which frequently enabled him to appear with such distinguished veterans as Joan Crawford, Ava Gardner, Anthony Quinn, Jack Palance and Peter Cushing and he always expressed amazement incredulity when the vagaries of changing taste elevated what Warbeck himself had regarded as cheerful, simple-minded trash high in the esteem of the fashionably avant-garde.

Six years ago the defiantly tasteless Russ Meyer was awarded a retrospective at the National Film Theatre when clips were shown from *Black Snake – the whip!* (1973) in which Warbeck had starred opposite the ubiquitously fashionable Anoushka Hempel. Warbeck's career too, was celebrated in 1994 at the Everyman Cinema, Hampstead, with screenings of his films such as *City of the Living Dead* and *Zombie Flesh-eaters* and at which he made a appearance accompanied by his long-time director, Lucio Fulci.

Warbeck, born David Mitchell, Christchurch, New Zealand, was of Scottish descent and after school in Christchurch and Invercargill he went on to train as an arts teacher. He also took up amateur dramatics where his dashing good looks and natural aptitude quickly got him accepted by a small professional company which toured local schools.

It was then that his work was rewarded with a New Zealand Arts Council scholarship to RADA. With his bride of one month he arrived in London in 1965 and enrolled at RADA where he remained for only four terms. His failure to finish at drama school did little to dent his progress however, and alongside his burgeoning career as a photographic model he began to appear regularly on television and in rep. Appropriately enough his first major role in the cinema was in 1971 in the Hammer horror film *Twins of Evil*, featuring a pair of vampiric fanged sisters.

A year later came *A Fistful of Dollars* and his break into the realms of Italian shock-horror.

The big disappointment of his career, which prevented him from becoming universally known, was when he just missed

being selected from the short list of contenders to play James Bond, following in the footsteps of Sean Connery and Roger Moore.

Warbeck was a warm, gregarious man with a boisterous sense of humour who was generally beguiled by the fact that what he called "my truly awful films" became taken up by the new connoisseurs of schlock.

With his easy, open, down-charm he was also a generous and convivial host who liked nothing better than to entertain with his wife, Lois, and his long-time friend David Lehal, at his extraordinary turreted Hampstead palazzo.

Known as the convert, this high Victorian gothic folly was built by associates of Sir George Gilbert Scott at the time of the construction of St Pancras Station and had been the scene of many a musical soirée when Gilbert and Sullivan, George

Grossmith and Ellen Terry would perform in the house's miniature salon theatre. For two decades David Warbeck lovingly devoted himself to the conversion's restoration achieving an effect that was almost overwhelming, its cavernous crimson interior displaying a heady mix of mirror and gilt, coffered ceilings, pointed arches, falling draperies and glittering knick-knacks; all merged together into a spectacular and esoteric fusion of camp and kitsch and the authentically Victorian. It could have served as the backdrop for one of his more exotic movie adventures, but for the ebullient British hero of Italian

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Islands of uncertainty in need of a new status

Robin Cook does not much resemble Charles de Gaulle. But the Foreign Secretary has now set out to do something the French president accomplished a generation ago: dismantle an empire. Defeat in the battle for Algiers pushed the French to wrap up their African presence, then, with impeccable logic, to make the citizens of what remained of non-metropolitan France full citizens of France. The inhabitants of Guadeloupe and Martinique do not – like the inhabitants of Pitcairn or St Helena – have an indeterminate colonial relationship with the motherland; they belong to it, vote in its elections and possess its civic rights.

The volcanic eruptions on Montserrat are not to be compared with events in Algeria, of course, yet their outcome ought to be the same: a final reckoning for the fag-end of empire. There is no point pretending that the process is going to be quick and surgical – the specific circumstances, populations and cultures of the dependent territories forbid that. There is no point in concealing that there are political pitfalls in resolving the status of Gibraltar or the Falklands. But Labour, prodded by events in the Caribbean, ought to be able to do what the Tories could not, through political cowardice – which is to recognise that this country cannot accomplish modernisation, cannot look the 21st century full in the face, without regularising the position

of this rag-bag of distant islands. Clare Short's deputy, George Foulkes, sets out for the West Indies at the weekend in what looks unmistakably like an exercise of stable-door closing. Volcanic eruptions permitting, the situation on the island of Montserrat is now settling down and – paradoxically – the island may now become a legitimate object of attention for the Department for International Development. A merit of the past week's event has been to involve the Foreign Office and No 10 – where eventually big decisions about the dependent territories will have to be taken.

What these events have exposed is Whitehall's myopia about those faraway islands and their lack of a "parent" or sponsor at court. It was a gap, to be sure, all too evident before the Falklands episode in 1982, and shines through the paragraphs of the Franks report on the circumstances leading up to the Argentine invasion. It must not happen again, so one necessary product of Mr Cook's review has to be the identification of a fixed Whitehall address for these islands. They are not, of course, "foreign", just as the Channel Islands are not "British". The Foreign Office will need to stay in close contact with the Home Office and other departments, for example consulting the latter's archives. They will show, among other things, just how variable has been the status of the United Kingdom's close-to islands: Jersey,

Guernsey, Heligoland (British for a decade after the First World War), Rockall, St Kilda (once evacuated on official orders), and Man. Constitutional lawyers and Conservative MPs have been remarkably happy with the utterly anomalous position of Sark within these sceptred isles: why shouldn't a similar leeway be extended to the Turks and Caicos? We know from the public record how in the early Sixties ministers were prepared to give serious consideration to resolving problems with Malta by giving the Maltese a parliamentary vote and absorbing their islands into the United Kingdom – something

the then Maltese government was keen on. Is such a solution so outlandish, now, for St Helena?

The bureaucratic mind always seeks uniform solutions. Fascinating proposals have been in made, in the past, for a new British Atlantic Territory status to include all the islands in, or in waters contiguous to, that ocean. But these turn out to be too different, too defined by their different histories. Mr Cook will need to play the tailor and devise plans for each. Take the Falklands. Political realists will say that years still have to pass before the disposition of the archipelago can sensibly be discussed, let

alone determined; political cynics will observe how political, let alone economic, development south of the Rio Grande still seems to defy all the trajectories and certain upwards movements prepared and predicted by Rand Institute Hegelians. Yet neither point absolves the Foreign Secretary from seeking to regularise the islands' status, let alone the political identity of their inhabitants.

Or Gibraltar, whose citizens possess British passports and sport GB stickers on their cars. Determining the rock's future is a test, to be sure, as much of the political maturity of Spain's political class, media and people as of British willingness to grasp a nettle. Here is a test, too, of the capacity of the European Union to engage with the hard world of power plays and national symbolism as opposed to that of butter mountains and money banks. Or Pitcairn – surely to be placed under the protection of Australia or New Zealand, like South Pacific territories before. Or Diego Garcia or Ascension (cede their sovereignty to the United States?).

As for Montserrat, the Caribbean has been hospitable enough to other tiny inhabited islands fashioning themselves, after colonialism, as stateslets or *de facto* American dependencies. The process is rough and ready. It will, necessarily, involve balancing the inhabitants' declared wishes with the reality principle and British metropolitan interests.

There is no single superior principle (such as what islanders want) that has to prevail at all costs. A priority in British foreign policy has to be to accelerate the business of cutting the suit according to what cloth is available to a middle-ranking European power which lives by commerce and finance. Britain still spends far too much in maintaining a pretentious military and diplomatic profile. Resolving the future of the dependent territories is an essential part of this adjustment.

Be Fair Now, George

Following the lead of the Princess of Wales in speaking out in the French press, George Harrison has laid into the Gallagher brothers in an interview in *Le Figaro*. To express a view about the musical quality of Oasis – and, given the Gallagher brothers' ostentatious homages to the Fab Four, Harrison has every right to disclaim his would-be followers – is one thing, but to accuse the newcomers of excessive ego is a bit rich from someone who played with John Lennon. Still, where would the rock industry be without manufactured controversy – even if "Be Here Now" hardly needs the boost in sales the former Beatle is bound to have generated.



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LETTERS TO THE EDITOR

Mines: first clear up the deadly legacy

Sir: The controversy caused by Diana, Princess of Wales's latest comments on the landmine ban and the Foreign Secretary's response has heightened public awareness but may well have diverted attention from the central humanitarian concern.

An immediate global ban on the production and use at least of anti-personnel mines is certainly desirable, but even more urgent and more easily politically attainable is a concerted drive to remove the mines already laid. Unless the international community, presumably under UN auspices, sets up and finances an operational command to co-ordinate, direct and finance demining on a global scale, the incidence of tragic human casualties will only mount and rehabilitation of large areas of countries such as Angola, Mozambique, Bosnia and Cambodia will remain impossible for decades.

A variety of demining technologies exists and in a number of countries the military have developed the relevant skills to have personnel trained to meet their own specific needs, such as, by Britain, for the post-conflict clearance of the Falklands. South Africa, which announced a permanent ban in February, is already deploying its own human and technical resources for mine clearance in parts of southern Africa but needs the encouragement of international financial support to do this on a larger scale.

The question remains where the practical initiative is to come from. A worthwhile first step would be for Britain, in conjunction with South Africa, to put the matter on the agenda of the Commonwealth Heads of Government Meeting in Edinburgh in October.

Professor WILLIAM F GUTTERIDGE
Director
Research Institute for the Study of Conflict and Terrorism
London W1



of the small number of priests with a paedophile problem. Catholics should be grateful to the Servants of the Paraclete for providing this ministry in their name.

SIMON BRYDEN-BROOK
European Network Secretary
Church on the Move
London SW1

walking, cycling and public transport, is shared across the political spectrum. The Government's Transport White Paper consultation document recognises that "we cannot carry on as at present", and the former transport minister, Steven Norris, said last week: "People think they have a civil right to drive where they want: that is a civil right which has expired."

Without government action, the freedom to drive will simply be restricted by worsening congestion, with disastrous implications for the environment and the economy. This vision of the future does not bear contemplation.

Councillor DAVID BEGG
Convener of Transportation
Committee
The City of Edinburgh Council

Sir: A compelling case for lower speed limits has been set out by Dr Mayer Hillman and Stephen Plowden in *Speed Control and Transport Policy* (Policy Studies Institute, 1996).

Raising the costs of car ownership and use will simply discriminate against the less well-off and will have little impact on the wealthy and business users, who will find the road space available to them increases as the poor are priced off the road. Those who can continue to afford to drive as and when they want to will continue to drive at wasteful and dangerous speeds in overweight and over-powered cars. Speed control is absolutely equitable and brings with it many environmental

benefits including fuel economy, reduced emissions and noise pollution and the saving of life and limb. Speed control over private cars also gives public forums of transport a vital advantage.

Sweden and Norway already have lower limits which are strictly enforced.

RONALD SHARP
Green Speed
Abingdon, Oxfordshire

Sir: Mark McArthur-Christie is mistaken to claim that a 50 per cent growth in car numbers is impossible because 80 per cent of those eligible to drive already possess driving licences (Letters, 22 August). Such a simplistic argument fails to recognise the large number of licence holders who, like myself, do not own a car. It also ignores the fact that people are now tending to possess their cars well beyond retirement age.

Comparison with other countries shows the potential for further dramatic growth in car ownership. The UK has only 350 cars per 1,000 population, compared with almost 600 in the United States, over 500 in Italy, and nearly 500 in Germany.

The claim that teleworking can significantly reduce road traffic volumes is unproven – his prediction of 3 million teleworkers by 2000 seems a little optimistic. There are concerns that working from home could increase demand for living outside cities in locations where there is often little alternative to relying on the private car.

Cars promise a nightmare future

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The view that measures must be taken to discourage car use and promote alternatives, such as

"guaranteed" (ineffectively) by Britain, Greece and Turkey. International recognition of the purely Greek Cypriot administration as the government of Cyprus has been, and still is, deeply resented by the Turkish Cypriots and Turkey.

Consequently, the Turkish Cypriots, not trusting the Greek Cypriots, insist upon being treated as absolute equals in negotiations for a federation. In their view, in the final analysis, sovereignty rests in the two states which decide to create the federation. In other words they support the view that "sovereignty emanates equally from the two communities". The UN Secretary General tried this formulation in New York, but, it appears, in response to Greek Cypriot protests, has now abandoned it. The Turkish Cypriot response is to demand recognition of the Turkish Republic of Northern Cyprus as a prelude to negotiations – a demand the UN will not accept.

The Greek Cypriots want the Turkish Cypriots to recognise that the federation will have one undivided sovereignty over one people and one territory. The new federal state is to them a modification of the bi-communal state established in 1960, the Republic of Cyprus, a state from which the Turkish Cypriots were excluded in 1964-65 unless they agreed to changes which would have turned them into a minority and which offended against the Constitution, which was

levels of authority. Still less is there any need to mention the Cypriot people or nation. Federations are not necessarily nation states – usually not, in fact.

The UN is still trying to reconcile theoretically irreconcilable positions. As in 1992, it has proved to be futile.

Professor CLEMENT DODD
Hemingford Grey, Cambridgeshire

Asylum injustice

Sir: Michael Bartlet (letter, 27 August) is quite right about the detention of asylum-seekers. Detention by executive action without public hearing, without cause shown and without hearing both sides, infringes the very principle of the rule of law.

Liberal Democrats are committed to having all such detentions reviewed by a judge to discover whether they are, in fact, undertaken with good cause. This would not merely uphold law and liberty, it would even save millions of pounds of public money.

EARI RUSSELL
Liberal Democrat Social Security Spokesman
House of Lords
London SW1

Exam question

Sir: You report (25 August) that Trinity College, Cambridge has seen an increase in the number of first-class degrees, from 26 per cent to 34.1 per cent. May I ask on behalf of my GCSE students whether this represents a decline in the standard of the examinations set?

Dr W A PENNY
Whitley Bay, North Yorkshire

Miserable myth of happy families

Sir: I was struck although not shocked by the photographs of a "family at war" (25 August). These photographs are simply a graphic representation of the emotional chaos which happens in many families.

Hostility, fear, dislike and manipulation – with occasional warmth – are what many people experience in the bosom of their families. Often, however, it is not expressed physically but rather through intense and unrelenting psychological pressure. Far less is it admitted. I and several of my valued friends, have "outed" the terrible truth that we do not come from families whose members are supportive and happy.

It is arguable that the rhetoric of the supportive family unit has distorted the thinking behind many social programmes and a great deal of social research. It has also contributed in large part to the sense of isolation that those of us who are not part of a mutually supportive "blood-is-thicker-than-water" social group feel.

That is until you realise that many, many others are in the same position, and admitting it is a great relief. What warmth I feel towards Jessica Mitford: In response to Nancy Mitford's view that "Sisters stand between one and life's cruel circumstances", she responded that surely sisters were life's cruel circumstances.

Dr MARGARET MITCHELL
Department of Psychology
Glasgow Caledonian University

Issues of write and wrong

Sir: Your report on the wayward grammar of school inspectors (19 August) faults them for subjecting agreement, citing the solecism "attainment and progress is good". But there is nothing wrong with putting a singular verb after plural subjects, if those subjects can be taken as a single idea – you would not say, for instance, "Tarring and feathering is too good a punishment for him."

As for the fuss about the apostrophe, why don't we just get rid of it? Like the French circumflex, it is merely decorative; after all, we manage perfectly well without it in speech.

And when are you guys going to give up your struggle against the split infinitive? There is, strictly speaking, no infinitive in English (merely a construct of "to" plus verb) and therefore nothing to be split. But I must say it's fun to watch you all pretending your prose to come up with such gems as "a detailed discussion of how safely to explore their sexuality".

PETER BRODIE
Palo Alto
California
USA

Blair's boar

Sir: I read with interest the press reports of the Prime Minister's holiday eating. Local wild boar in a white wine sauce, home-made pasta with a wild hare sauce and rabbit in a white wine sauce were enjoyed.

I thought Mr Blair was against sporting pursuits and not a fan of the countryside rally. What don't I understand? Will these culinary delights be available only to the overseas traveller in years to come?

PAUL M COOPER
Pickering
North Yorkshire

analysis

Intensive farming has made food in the US cheap and plentiful. But, says Mary Dejevsky, Americans are beginning to realise that their diet may also be bland and dangerous



Toss another T-bone on the barbecue: Americans have taken for granted that everyone can get affordable groceries

Photograph: Getty Picture Library

America's beef about food safety

There was a time, not so long ago, when Americans had a simple, if - to Europeans - somewhat naive, attitude to the food they ate. If the government said it was safe, then it was. That confidence was grounded, first, in the touching belief that the government had the best interests of Americans at heart, and, second, in the plethora of rules, regulations and labelling requirements that govern food production and sales in the US.

It was further reinforced by the near-certainty that the food in the supermarket, with few and clearly displayed exceptions, was all-American, produced in the US by Americans, for Americans. Thanks to their innate optimism and their faith in the benefits of scientific advance, Americans also had few qualms about intensive methods in agriculture, or the swift application of technical advances.

The interests of farmers in economies of method and scale, the interests of the food industry in efficiency and profit, and the interests of consumers in cheap and plentiful food, all seemed to come together in a symphony of affordable abundance.

There is still the envy of the world. Whether you want a restaurant meal of steak and salad, a T-bone for the home barbecue or a hamburger and fries from the local takeaway, the national consensus is that it should be accessible to all - and, mostly, it is.

This admirable picture, however, has another side which is reflected in the shortcomings that have come to light during the investigation into the recent outbreak of *E. coli* food poisoning in Colorado.

The United States is a huge market, and vast food processing conglomerates have grown up to supply it. Dubious practices at one plant - in this case a meat plant in the cattle country of Nebraska belonging to an Arkansas-based firm, Hudson Foods Inc - can affect wholesale and retail customers across America. The hamburgers produced by Hudson Foods made their way into 28 states, two of the country's biggest supermarket chains - Wal-Mart and Safeway - and most of the Burger King restaurants in the Midwest (which were suddenly unable to supply any burgers at all, when the suspect meat had been recalled).

The reams of regulation invite different interpretations and corner-cutting which may negate the hyper-hygiene dictated by law, however dutifully observed. It is no good having automatic toilet-flushing and requiring staff to wear caps and gloves and cover all hair and beards (as at Hudson), if even a small portion of one batch of what turns out to be contaminated meat is held over and added to an unspecified part of the next day's production. At Hudson, this practice made it impossible to trace where the bacteria might be found, which is why the plant was summarily closed.

Public insouciance about the application of technology has led to the acceptance (or ignorance) of developments that may be insufficiently tested or regulated. The use of hormone additives in beef cattle, for example, is now widespread and there is no requirement on the farmer, abattoir, processor or shop to label the meat accordingly. The beef farmers who use the hormones say that they enable the cows to reach slaughter weight more rapidly, so cutting costs; that the additive is a naturally occurring

hormone (and thus harmless); and that no "residue" remains in the beast at slaughter. Extensive scientific testing, they say, also shows that the procedure is harmless. The World Trade Organisation now appears to accept these arguments and last week decided that the EU's ban on beef bred with hormone additives is unwarranted.

Exactly what proportion of fruit and vegetables on sale in US supermarkets has been genetically modified is not recorded - a supermarket chain that tried to find out received replies from only 20 per cent of suppliers. The modifications are designed not just to make the product require less water, or resist particular ailments or insects, but to make it sweater, rounder, more or less juicy or more attractive colour. There was never any public debate about the pros and cons of this, such as is starting up in Europe. (some scientists believe it can increase allergic reactions); there is no special labelling; it simply happened.

To a European living in the United States, one of the results is a plentiful supply of relatively inexpensive food, which none the less often lacks quality and taste. The water content of even fresh food seems very high compared to that of food bought from European supermarkets, and as for the taste - well, bland would be the kindest qualifier.

The size of the US food industry, moreover, makes it one of the biggest interest groups in the country, both as a whole and by sector. Challenging farming or producer practices brings down the wrath of some very powerful lobbies on the hapless questioner. It is even an offence in 13 states to

"disparage" food quality; legislation was introduced after one of the periodic (and often exaggerated) cancer scares implicated Alar, a substance used to make apples look shinier - and caused the apple market to crash. The same law is currently being used in Texas against the television celebrity Oprah Winfrey, and a scientist who appeared on her programme to question whether the US was really free of BSE (mad cow disease) and caused losses to Texas stock breeders.

Nor is it true to say that quality and safety monitoring arrangements in the United States are as foolproof as is often believed. Yes, there are separate authorities overseeing agriculture (the Department of Agriculture) and food (the Food and Drug Administration) - the model that the new British government says it will adopt. But the US structure is in fact more complicated, and the separation of producer and consumer interests less clear-cut, than appears. Meat, poultry and egg production are all overseen by the Agriculture Department; they are not the province of the FDA, while seafood and other food products are. The powers of the Agriculture Department, moreover, are limited. It cannot recall produce or close plants without the agreement of the company concerned.

The fact that all this is emerging into the public domain suggests that a new, more questioning mood is emerging in the United States where food safety is concerned. The administration's reaction - to some critics it is a huge over-reaction - to the fewer than 20 reported cases of *E. coli* poisoning in Colorado, and the record speed with which the food recall was announced,

indicate an awareness at the highest political level that public confidence in food, and its quality and safety, can no longer be taken for granted.

This is by no means the first food scare this year. An earlier outbreak of poisoning was traced to the cyclospora parasite in a basil juice supplied by a gourmet delicatessen chain. Raspberries also contaminated by cyclospora caused 1,000 people to fall sick. Annually, food poisoning is thought to claim around 9,000 lives in the US, and reported cases are increasing.

In previous outbreaks, including the raspberries, there was an automatic - and ignoble - tendency to blame foreign imports, especially from Mexico and other Central American countries. (The raspberries came from Guatemala.) Food imports, which have doubled in quantity in five years, are a relative novelty, and attract suspicion and prejudice. What the two latest outbreaks had in common, however, was that - despite extraordinary efforts in the basil case to prove the contrary - both outbreaks were "home grown".

The increase in food imports (facilitated by the three-year-old North American Free Trade Agreement) and the perception of an increase in food poisoning outbreaks have undoubtedly contributed to a sense that food is less safe than it was. But there were signs of a more questioning public attitude well before this summer. The evidence - in America's cities, if not yet in the heartland - is everywhere. The small health-food shops that set up on the West Coast and in urban areas of the East during the Eighties have spawned several big supermarket chains that cater specifically to the demand for

organically produced food, with no additives.

The Fresh Fields chain, which originated in 1991 in Maryland and merged with the Texas-based Whole Foods company in 1996, is just one of a flourishing genre that profits from the fears of middle-class Americans about the harm that poor quality and junk food may inflict on them and their children. This year, mainstream supermarkets such as Safeway and Giant have followed the trend, buying in, advertising and labelling not just organic, but also locally grown produce.

Over roughly the same five-year period, the number of farmers' markets held at least weekly in many US towns and cities has increased dramatically. The first farmers' market to be held in central Washington DC - a city that often lags behind East Coast urban trends - was set up earlier this summer. It is held on Sunday mornings in a bank car park on the edge of Dupont Circle, a fashionable city district populated mainly by young professionals.

This food is, as a rule, considerably more expensive than standard American supermarket fare. Those who can afford it, however, are now prepared to pay for what they perceive to be better quality. Consumers seem to be shifting away from the decade-old desire for slimness and fitness at all costs (the no-fat, no-cholesterol preoccupation that still dominate mainstream supermarkets) towards a preference for food that is itself pure and healthy.

This shift, if it continues, could have implications that go far beyond the supermarket and extend into America's international relations. Some of the most acrimonious disputes in the Western world pit the US and the European Union against each other on the matter of food: its quality, safety and labelling. A few of the regulatory problems were resolved earlier this summer. But there remains a seemingly unbridgeable gulf - caused as much by cultural attitudes as by scientific evidence - on the question of altered foods: beef produced with hormone additives and genetic modification of fruit and vegetables. The US Agriculture Secretary, Dan Glickman, went so far as to say recently that this difference was shaping up to be the "battle royal of 21st-century world agriculture".

The EU is demanding, at very least, that US produce which has been altered should be labelled as such. France, with a large domestic market to protect, and ultra-demanding and traditionally-minded consumers, is in the forefront of the objectors. The Americans say this is discrimination, and accuse the Europeans of using specious scientific arguments to keep cheaper US produce out.

The Europeans retort that the Americans use their labyrinthine regulations for the same purpose.

Until recently, the American public would have sided unquestioningly with the US government in this argument. The revelations that have followed the recent *E. coli* poisoning outbreak, however, and the growing movement in the United States for healthy, natural and, if necessary, more expensive food, suggest that American consumers are starting to raise questions similar to the ones that worry European consumers. If that is so, the gap between the US and the EU on food exports may begin to narrow by itself.

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No more talk: let's just put an end to poverty

Today I am back at work, on the same day Tony Blair returns to Downing Street. Like him, I have spent three weeks among olive groves, fig trees, piazzas and cathedrals where it is easy to forget that we holiday in Italian or French equivalents of the Cotswolds, as far from the housing estates of Turin, Marseilles or Naples as Bourton-on-the-Water is from Sunderland. But that's what holidays are for - brief respite from reality.

I wade through a desk piled high with reports about poverty, in one form or another. The hyper-industrious research industry has gone into overdrive this year, drowning the Government with every kind of statistic. Who are the poor? How many? What is it to be poor? Do they move in and out of poverty? How many are stuck for ever? What becomes of their children? How many commit crimes? What can be done? What works?

Yesterday, launching a campaign to strike at the roots of crime, the National Association for the Care and Resettlement of Offenders (Nacro) published a report showing, yet again, how young criminals spring mainly from catastrophic families. Poor, hopeless, helpless, uncaring, despairing, mad or bad parents from hell breed infant demons. Surprised? John Humphrys on the *Today* programme started his interview almost with a yawn: "But that's obvious, isn't it?" Of course it is. Blindingly.

I wade through the other research that has been pouring out in my absence: "Income Mobility in Britain" (very little); in or out of work the poor stay in the lowest brackets); "Disadvantaged Children at Greater Risk of Adult Mental Health Problems" (well, fancy that) and many other less than earth-shattering revelations. Only a month ago Bristol University's Breadline Britain research showed how an extra 3.5 million people have become poor in the past 15 years, making a total of 11 million.

In Tony Blair's absence, Peter Mandelson announced a new "Social Exclusion Unit" set up within Downing Street. (Social exclusion is Euro speak; countries can't agree what poverty is, but this nebulous, polite phrase covers anyone who is, well, you know, sort of left out, without a job, or a bus fare, or a holiday - in other words, poor.) Mandelson spoke of Blair's "rock-hard determination to tackle social ills and the economic causes of social exclusion" and pledged that in 10 years "Britain will be a more equal society".

Now that he is back, the Prime Minister will have to spell out what exactly his unit will do. To be sure, getting all departments to work together is crucial. But, even more important, nothing can be done without more money.

Maybe it's the effect of a long, luxurious holiday, but returning to all this poverty research, I am brought up short again by the way we all live. How do we manage to be so complacent, living cheek by jowl with mounting deprivation on our doorsteps? Will Blair's long holiday have the same effect on him? If I believed in a day of judgement (as he does), I wouldn't know what we should all say to justify ourselves. Excuses would stick in the throat. For we know exactly what and where the problems are. All this research tells us over and over again what can be done. The poor need not always be with us (or only a fraction of their present numbers).

We were brought up on history books that



Polly Toynbee

How do we manage to be so complacent living cheek by jowl with mounting deprivation on our doorsteps?

told of the onward march of social progress, reforms, factory and education acts, a story of inevitable, unstoppable social improvement. The teaching of history from 1800 judged civilisation on progress for the poorest. No more boys up chimneys, no more women hauling coal trucks down mines. But then history stopped. In the past 18 years it has been reversed. The DSS itself reported that the income of the bottom 10 per cent decreased by 17 per cent between 1979 and 1992. When I was young, in 1964, the first general election I can remember, I believed without a doubt in inevitable progress. Now, instead, the gap has widened. Can Labour kick-start history again?

Let the Social Exclusion Unit do no more research. Let them think up no more clever ideas. Let them not spend long, dreary interdepartmental hours squabbling over structures centrally, and structures locally. Let no new wheels be invented: stop the consultation documents; silence the policy works. We know all we need to know.

Take yesterday's Nacro report as just one programme that could be implemented tomorrow - with money. Delinquency springs mainly from disaster families in the poorest neighbourhoods. Social services usually know the children, but nothing gets done. The report describes family schemes run by voluntary organisations that help mothers at the end of their tether, teaching them how to bring up their children. Research shows that many of the children are saved from going into care, but such schemes are few and far between.

For lack of that early support, 50,000 children are in care every year. They grow up to fill 25 per cent of prison cells. Why do we let them slip through our hands? There is virtually no treatment for these most damaged children, or any education, and they are cared for by the least qualified people. The Social Exclusion Unit could start with them.

There is a comfortable view that poverty is intractable; that the feckless and dysfunctional are beyond help. But among all this voluminous research on my desk there is all the evidence to the contrary.

Tony Blair goes back into Downing Street this morning with very little of the shine rubbed off. Now his rock-hard determination to make Britain more equal means his Social Exclusion Unit needs to start at once. Most of all, there needs to be money. How can that be found? In the end, only with public will. The people need to be persuaded that money well spent can make a real difference to the way we all live. At its lowest, projects to help the poor means fewer young criminals in 10 years' time.

They mean ending the dead weight of the poor carried by all taxpayers. At its loftiest, Blair needs to keep hammering out the One Nation message of his powerful speech on that Southwark housing estate.

Individually, if we feel genuinely guilty about the poor we could give our money away voluntarily. But in the end it is far better for a government to do the right thing, imposing goodness and efficiency on us all fairly, with our consent. There is nothing wrong with tax and spend, but now Labour has to start to persuade the people that more tax would be fair and spend thrifty, and that the result would be a better-functioning society.

afet

Darling, your fusion was simply wonderful

I have developed a theory about why actors stereotypically call one another darling. But you will have to be patient. I hit upon it in Cambridge, at Girton College, to be precise. The elusive concept of community has been my goal in this month-long tour of the nation and the various summer schools that fill our universities during the vacation seemed the place to examine it in its most transient form.

The day I arrived, Girton was hostess to three separate groups: the actors of the Cambridge Shakespeare Festival who were ensconced for 11 weeks; the teachers of St. Andrew's Language School, who were in residence for two months; and the members of the Essex Young People's Orchestra, who were there for just five days.

It was mid-morning break in the red-brick Victorian gothic college with its trim lawns and stately cedars, and the adolescents of Essex were sitting in the TV room watching *Teletubbies*. Communities do not come much more temporary than this. The orchestra exists for only 15 days each year. Its 98 members, aged between 14 and 18, do not rehearse on a weekly basis, like a school orchestra. They meet only for three five-day sessions during the holidays - Easter, summer and Christmas - when they put in at least eight solid hours' practice. "This way," said Richard Brittain who runs the enterprise, "they can make progress on audiences and textures."

Progress is made on other fronts, too. "Richard, stop charting her up," one young fiddler was admonished as concentration wandered towards the end of the morning's three-hour

section practice for the first violins. Rituals of courtship are just the unofficial part of the community-building process. "We deliberately programme group activities in the free time - swimming, a quiz night, a barn dance," said Mr. Brittain. "And they are all responsible for setting up the performance area and clearing it afterwards." Thus, they hope, the balance between self-discipline and youthful rebellion will be arrived at.

Similar processes were at work among the other groups visiting the college. Common purpose was not deemed a sufficient cement on the two-week courses at the language school down the corridor. "When they arrive we have a whole programme of ice-breakers - name games and non-language games designed to build trust," said Helen Holwil, the young course director. Morning classes are followed by afternoon games and day trips designed to bridge cultural gaps among pupils of different nationalities about what is acceptable in class.

"You learn there is some truth in national stereotypes: ask the group an open question and an Italian will begin to talk for hours. But the Japanese will not, even if they know the answer, because part of their culture is not appearing to know more than your neighbour. Ask the class to go into pairs and talk about music and an Arab may come back and say he's not being paired with a woman; the Japanese will come back and ask what kind of music." The process is artificial, but it is an effective accelerator. "By the end of two weeks some will even ask to come back next year with the same group."

The Cambridge Shakespeare Festival actors had also created

The war on drugs is a dialogue of the deaf

by Simon Davies



PHOTOGRAPH: DAVID ROSE

We need someone to monitor police activities in the youth culture ... without this, any meaningful drugs policy is doomed

Over recent weeks a succession of back-bench MPs, senior police and community figures have been calling for a rethink on the so-called "war on drugs". Last month the Government called for applications for the post of "Drugs Czar", an impressive-sounding post whose holder will be responsible for harmonising Britain's ragged drugs policy. And following the shooting to death of a five-year-old boy in Bolton, the Prince's Trust and the Police Foundation have announced an inquiry lofty enough to earn the epithet of an unofficial Royal Commission into drugs.

This is healthy. No matter where you stand on the drugs debate, you are likely to settle upon a single point of agreement: Britain's drugs policy is in a mess. In the quarter century since the passing of the Misuse of Drugs Act, the world of substance use has become infinitely more complex. For prohibitionists and reformers alike, the way the drugs scene is currently policed is seen as being often counter-productive, inconsistent and largely unworkable. On that point at least we all agree. And it is a good place to start.

But there is something amiss in the craze to re-assess drugs policy, and it goes to the core of the relationship between authority and young people. Merely changing policy will be pointless if young people become impervious to our efforts - and that, unfortunately, is what seems to be happening. Recent surveys of drug use among children indicate a steady softening of the mythology and taboos that were once the engine room of the war on drugs. Official messages about drug use are apparently becoming less effective. Warnings of hellfire and damnation are not translating into constraint.

Put simply, more young people are using drugs out of curiosity or for self-medication or recreation. And many of them see the practice as quite ordinary. Noel Gallagher tried to explain that attitude by likening drug use to drinking tea, but his point was lost in the subsequent wash of indignation.

Forget the Drugs Czar for a while: the proposed appointment is merely a reorganising of existing national drugs policy. What we need is an advocate to monitor police activity - someone who can perform the role of mediator, think-tank and sounding board - who can build clearer lines of communication between young people and the police. Without this, any meaningful drugs policy is doomed. And yet, at

the moment, those lines of communication are deteriorating fast.

Since 1990, police have used a variety of new public order laws to try to exterminate emerging youth environments. Raves, warehouse parties, house parties and dance parties - the hub of "hard core" youth culture - are routinely subject to extreme forms of police action that have on occasion ended with mass arrests and injuries. The result is that an entire generation of young people - generally law-abiding young people - are being turned pointlessly against authority.

Take recent events in Bristol as an example. Last New Year's Eve, local dance organisers tried to stage a free party in an isolated and deserted warehouse. By all accounts, care had been taken to ensure

the party was not near any residential properties. Despite this, the police turned up in force and closed the party.

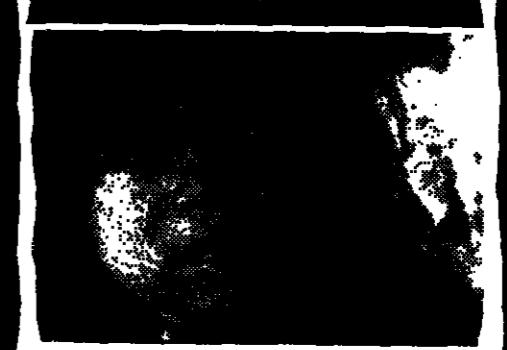
There were many injuries in the mêlée. A thousand youngsters turned in an instant against the police, and their antipathy will now be difficult, if not impossible, to reverse.

Police tactics are sometimes more subtle. Last month I met a Brighton funk guitar band by the name of Flannel, who told me that local police have forced the cancellation of three of their concerts this year. The justification: iconography. East Sussex Police says the band's icon, an alien head in a triangle, would attract "drug users, anarchists and an undesirable element". The band is a recipient of Arts Council funding. Their most recent gig was a charity concert for local community groups. Hardly a cocktail for revolution.

Such sledgehammer-and-stun stories are replicated across the country. Perhaps the most celebrated case is the fate of a dance party group called Exodus, based outside Luton. A recent television documentary outlined how Exodus were subjected to what could only be described as a campaign of harassment by Bedfordshire Police. As far back as 1994, 3,000 youths laid siege to the local police station in protest at what they described as police persecu-

The author is a Visiting Fellow in Law at the University of Essex and a Visiting Fellow at the London School of Economics.

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Child's name: _____ There are _____ children in my family.

Child's age: _____ Date of birth: _____

Child's sex: _____ Child's gender: _____

Child's name: _____ Child's gender: _____

business & city

FINANCIAL JOURNAL
OF THE YEAR

COMMENT

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WH Smith chief rules out early break-up plans

Nigel Cope
City Correspondent

WH Smith's chairman, Jeremy Hardie, ruled out a break-up of the struggling retail group yesterday, saying the appointment of a new chief executive remained the priority. Speaking as WH Smith announced a rebound in full-year underlying profits to £124m, Mr Hardie said the company would stick to the strategy developed by Bill Cockburn, whose shock decision to quit as chief executive in June plunged the group into fresh turmoil.

"We have no plans for a break-up," he said. "A year ago we had a strategic review and disposed of some assets such as Do It All and business supplies. The strategy we developed then is being implemented now. What you don't do is thrash about changing things."

Mr Hardie admitted that he could not dismiss a break-up entirely as the incoming chief executive may view the situation differently. However, he said none of the candidates interviewed for the post had expressed a different view as to the company's best method of reorganising shareholder value.

Mr Hardie, who has been spending all his time at the company even though he is supposed to be part-time chairman, disappointed the City by giving precious little fresh information about the chief executive search. "It is only two months since Bill Cockburn left and if you are going to do a professional job it takes longer than that. You don't find a chief executive by looking at the small ads overnight," he said. The interviews had been completed but did not rule out additional candidates coming forward.



Hardie: 'You don't find a CEO by looking at the small ads'

At present the leading external candidate is Stuart Rose, the former Burton director. The three internal candidates are Alan Giles, John Hancock, and Richard Handover.

Keith Hamill, the group's finance director who was considered a front-runner prior to his decision to pull out at the weekend, said he was happy to work under someone else and had no plans to quit. "I'm quite happy here. I'm not roving about talking to headhunters."

He denied he had canvassed support for a break-up but admitted that he had been "quite loud" about the company being under-valued when the shares fell to 350p.

Some analysts say the group could be worth more than its current market value of just over £1bn if parts of the group such as the Waterstones books division and Virgin Our Price, were sold.

Mr Cockburn, who joins BT

as head of its UK operations in October, will not return to Smith's after taking August as holiday. However, he telephoned the company yesterday saying he would waive his September salary, worth around £35,000.

WH Smith's pre-tax profits of £124m for the year to 31 May followed the previous year's £194m loss, which was struck after heavy exceptional items.

However, there were fresh problems in the main WH Smith retail business, where the group was forced to make a £6m provision for £20m of excess stock. The company said the unsold books, music and video were a result of overbuying and a failure to mark poor sellers down soon enough.

Mr Hardie said he was con-

fident that the business could be turned around. "There is a big market for a mainstream store providing music, books and so on, regardless of the roads the specialist retailers and supermarkets are making."

There was also a £73m pension write-off caused by the recent changes to Advance Corporation Tax in the Budget.

Like-for-like sales at the core business rose by just 1.5 per cent last year and by 1.2 per cent in current trading.

In the rest of the business, Waterstones remained the star performer, increasing profits from £15m to £20m. But profits at Virgin Our Price fell from £18m to £14m due to a weak roster of music releases.

Group sales were up 4 per cent at £2.75bn and the dividend was maintained at 15.65p. The shares closed 9p higher at 376.5p.

Comment, page 17



Vote of confidence: The latest land sale in Hong Kong allayed fears that prices might fall sharply in the wake of the handover to China

Stephen Vines
Hong Kong

The Hong Kong stock market breathed a sigh of collective relief yesterday when the first government land auction since the return to Chinese rule produced bids well to the high end of expectations.

Investors had been anticipating the outcome as a signal of developers' confidence in property, which in turn underpins the stock market as a whole. Most attention was focused on a 10,570 square metre residential development site in the up-market Repulse Bay district which was sold for HK\$5.5bn (£441m). This works out at about 10,200 per square foot.

The lowest estimate for the sale was HK\$4.1bn, while the highest was around HK\$6bn.

As the overheated luxury

market has seen prices fall by as much as 30 per cent in recent months, yesterday's auction delivered a clear signal to the big-league developers were not losing faith.

After a slow start to the hour-long bidding, two big companies were left in the contest. Eventually, Chinamea pulled through, outbidding Cheung Kong, the flagship of the group controlled by Li Ka-shing, who is Hong Kong's most astute property developer. Mr Li's son, Victor, who bid on behalf of the company, described the

result as "a vote of confidence" in the Hong Kong market.

Misgivings about the auction earlier in the day prompted investors to place a heavy volume of sell orders, taking the market down 15 points at the morning close. However, as news of the auction seeped out, buyers rushed back, leaving the blue-chip Hang Seng Index to close at 15,534 points, a fall of just 13 points on the day.

James Osborn, director of sales at ING Barings Securities, said the real importance of the auction was that it contained "no nasty shocks". He said the market would have been seriously shaken if bidding had been below expectations but as the three sites on offer had been sold for good prices, the market could breathe easy.

Although there was some evidence of renewed interest in blue chips yesterday, the Hong Kong market even more volatile as small punters move rapidly in and out of stocks. Institutional buyers have been scared away by some of the crazy valuations now prevailing in the market and are sticking mainly with blue chips which are beginning to look increasingly cheap compared to the rest of the market.

Securic

REVIEW

Buoyant land prices take pressure off Hang Seng

for smaller companies, focusing on those with Chinese connections.

As a result, the constituent stocks of the Hang Seng Index have seen their share of trades fall from about 60 per cent of market volume 12 months ago to less than 20 per cent over the past month.

On Tuesday the trade in blue chips slumped to a new low, representing less than 10 per cent of the market volume.

The effect of this new pattern of trading is to make the notoriously volatile Hong Kong market even more volatile as small punters move rapidly in and out of stocks. Institutional buyers have been scared away by some of the crazy valuations now prevailing in the market and are sticking mainly with blue chips which are beginning to look increasingly cheap compared to the rest of the market.



Clare Spottiswoode: Under fire over November launch

United may axe 100 jobs in TV revamp

Cathy Newman

United News & Media's takeover of HTV has triggered a review of all Lord Hollick's broadcasting interests, which could lead to around 100 job losses.

In the wake of the £372m acquisition of HTV in June, United has kicked off a cost-cutting drive across the group's television portfolio, which also includes the Anglia and Meridian franchises.

A spokesman for United Broadcasting confirmed the review, but said it was hard to see how many jobs would go at this stage.

However, a source at the company said the group was looking to make 100 people redundant to save £3m.

City analysts said yesterday that United had found HTV was "a tight ship", and had decided to seek cost savings elsewhere in the group. One said: "Costs will be cut more from United's existing television operations than HTV."

Another analyst said that, far from slashing large numbers of jobs from HTV, United would actually use the organisation of HTV as a template for its other franchises. He said: "United is discovering that maybe it will have to adopt the measures HTV had in place in its existing television operations."

Gas suppliers refuse to back watchdog

Chris Godsmark
Business Correspondent

The high-profile watchdog set up to outlaw dubious sales tactics in the emerging domestic gas and electricity markets was facing a boycott yesterday by some of the leading independent suppliers.

Two of the biggest gas companies competing with British Gas, Eastern Natural Gas and CalorGas, have refused to join the Association of Energy Suppliers (AES) after reservations about its effectiveness. The association was launched this summer by the Gas Consumers Council (GCC) and Electricity Association after

complaints about door-to-door sales tactics in trials of household gas competition.

The dispute emerged as Clare Spottiswoode, the gas industry regulator, yesterday confirmed that the next phase of gas competition, extending choice to 2 million homes in Scotland and the North-east of England, would start on 1 November.

The decision is likely to prove controversial after demands from several independent gas companies that the trial be postponed to February. They claimed computer systems being built by TransCo, the pipeline network run by BG, would not be fully tested.

The looming boycott of the AES is expected to lead to

pressure for a fully fledged statutory sales code for the energy industry, despite Ms Spottiswoode's reluctance to incorporate a mandatory code into companies' operating licences.

The AES had expected all gas and electricity suppliers to join its ranks, with sanctions including public dismissal from the body after three warnings.

Eastern, the gas arm of Energy Group, said its membership was under review and it had no plans to join. A spokesman said: "We're confident the interests of our customers are already protected. We already have our own code of practice which is tougher than the AES's."

The company was at the centre of complaints about its sales tactics since the start of competition, resulting in the sacking of some sales representatives and a rebuke from Ofgas, the industry watchdog. Eastern said its own code had a 14-day cooling-off period for customers, double the seven-day period for the AES.

CalorGas, which has campaigned for a statutory code of conduct, was also unhappy. "We haven't signed yet and we have concerns about the effectiveness of the sanctions," said a spokeswoman.

Exports defy strong sterling

Diane Coyle
Economics Editor

The strong pound is showing no signs of triggering the widely predicted plunge in exports, according to new figures for Britain's trade deficit.

The gap between exports and imports widened slightly to £950m in June from £733m in May, according to figures from the Office for National Statistics. But rising imports rather than falling overseas sales explained the deterioration.

The trade shortfall with non-EU countries alone fell sharply from £713m in June to only £65m in July. This was thanks mainly to one-offs such as the shipment of a £400m drilling

platform from Tyneside across the North Sea to Norway.

Even excluding such items, the figures defied warnings of a nosedive in exports made by industrialists and many economists. The overall deficit shrank in underlying terms from £1.1bn in May to £744m in June.

"If you take out the erratic trade balance is probably wider, but the cause is higher imports rather than lower exports," said Dharshini David, an economist at HSBC Markets.

"It suggests that windfall spending is sucking in imports. Excluding both oil and erratic items, the underlying volume of imports from the rest of the world rose by 3.8 per cent in the three months to June, their

widely expected plunge will materialise, however. Adam Cole at James Capel pointed out that normally the impact of sterling's appreciation on export volumes should have been at its height about now.

Exporters have been able to take the impact on their profit margins because they had sustained virtually all of the improvement in competitiveness brought about by the devaluation in 1992," he said. "The impact of the higher pound on export volumes and output could turn out to be very muted."

The pound reacted little to yesterday's figures. Its index against a range of currencies ended up 0.3 at 101.9. Some economists are becoming less convinced that

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Fidelity to close 'cumbersome' Magellan fund

Tom Stevenson
Financial Editor

Boston-based Fidelity is to close its huge Magellan investment fund to new investors from the end of September in an effort to make it more manageable.

Magellan, which is Fidelity's flagship mutual fund and the biggest of its kind in the world, is now worth almost \$63bn.

The closure of the fund to new investors follows an improvement in the fund's fortunes after a period of under-performance. Fidelity said an expected inflow of cash following the improved investment performance had prompted the decision to close the fund.

Fidelity said existing investors would be allowed to continue topping up their holdings after 30 September but no new investors would be allowed in. Participants in most group retirement plans, where Magellan is an existing investment option, would also be able to continue investing.

Robert Pozen, head of Fidelity's \$500bn mutual fund group, said of the decision: "By reducing future access to the fund, its assets will grow at reasonable levels." He said the move would allow the fund's manager, Bob Stansky, "to con-

tinute to manage the fund in the most effective manner for its shareholders".

The move is unusual for a mutual fund manager, which usually likes to keep funds open to maximise their fee income. However, Fidelity has been under pressure to close the fund because, analysts claimed, its cumbersome size was damaging shareholders' returns.

Eric Kobren, editor of *Fidelity Insight*, an independent newsletter that tracks the investment group, said: "It's in the best interest of shareholders to close Magellan. The fund is just too large."

Fidelity's Magellan is the biggest investment fund by far. Its closest rival, Vanguard Group's Index 500 Portfolio, has about \$45bn in assets. Fidelity has said in the past it would close Magellan if the company determined that such a move would be in the best interests of shareholders.

The closure of Magellan comes after record inflows of cash for the first time in 18 months during which poor performance has led to almost \$10bn being withdrawn. The inflow follows an improvement in performance since Mr Stansky took over control of the fund from Jeff Vinik in June 1996.

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STOCK MARKETS

FTSE 100	Dow Jones	Nikkei
4906.90	+20.60	+0.4
-0.40	-0.0	-0.0
4849.60	4729.40	4386.20
2367.20	+8.00	+0.3
2352.70	2438.00	2017.90
2352.70	-0.37	-0.0
2313.32	+7.28	+0.3
7729.03	-53.19	-0.7
18441.94	-373.04	-2.0
15533.95	-13.27	-0.1
3985.65	+38.33	+0.9
18441.94	-373.04	-2.0
15533.95	-13.27	-0.1
3985.65	+38.33	+0.9

INTEREST RATES

Short sterling	UK medium gilt	US long bond
7.125	7.56	7.10
5.56	5.97	6.56
0.53	0.65	2.05
3.19		



COMMENT

"It is becoming increasingly clear just how big a mess he has left poor old Smith's in. It was obvious from the outset that his abrupt departure after just 18 months at the helm would cause great disruption. But the fall-out will probably be greater than was originally imagined."

How considerate of Bill Cockburn to telephone WH Smith yesterday and tell his former employer he was prepared to waive his September salary of £35,000. What a fine and magnanimous gesture from a man who has comprehensively legged over the organisation for which he used to work. Not feeling guilty by any chance is he?

He certainly ought to. For a start, Mr Cockburn will not actually be doing any work for WH Smith in September. He has already left, and will be enjoying a spot of gardening leave prior to throwing in his lot with BT.

Second, it is becoming increasingly clear just how big a mess he has left poor old Smith's in. It was obvious from the outset that his abrupt departure after just 18 months at the helm would cause great disruption in an already fragile business. But the fall-out will probably be greater – certainly at board level – than was originally imagined.

Take Keith Hammill, for instance. The former Forte finance director, who was one of Mr Cockburn's first appointments, was an early front runner for the top job but has now ruled himself out saying it should go to a retailer rather than a numbers man. He was putting a brave face on it yesterday, saying he was happy to stay on. But it is more likely that he will be off within six months to the next decent job offer that comes his way.

The exodus will probably not stop there. If the job goes to an outsider, the new boss will want to bring in his own team, which

means ousting some of the incumbents. If it goes to one of the internal candidates, it is more than likely that one or two of those passed over will seek pastures new.

What all this adds up to is that a business that has already lost 10 directors since the group's calamitous profits warning two years ago, will lose yet more. Jeremy Hardie, WH Smith's chairman, is going to start feeling like a recruitment consultant soon.

He certainly has his work cut out. As the latest results show, this grand old name of the high street still has a long way to go before it even enters the recovery phase, let alone starts to come out of it. Weak sales growth is an old problem, but £20m of unsold books, records and videos was a new one thrown in for good measure. Whoever gets Bill Cockburn's job will soon see why he left it in such a hurry.

Conflicting signals on interest rates

A short-term interest rates high enough to head off an inflationary boom? The Bank of England has indicated that there will be a pause for reflection before anything further is done. Its newly formed Monetary Policy Committee will not, however, have drawn much comfort from the latest raft of economic statistics. There were further signs of the windfall-driven spending spree in the trade figures yesterday. Combine that

with the record level of August car sales, reported on our front page, and there are clear signs the shortfall between exports and imports is on a deteriorating trend.

The trade gap is widening not because the effects of the strong pound on exports, which remain largely at unchanged levels, but because of stronger imports, and particularly imports of highly priced consumer goods like cars and electrical goods. Exporters seem to have resisted the temptation to sacrifice volume to sustain margins. The pound's appreciation has been taken on the chin, with most exporters prepared to accept that their dollar and German mark selling prices will be left unchanged, despite the fact they now buy fewer pounds.

Sterling's ejection from the exchange rate mechanism gave competitiveness and margins a big boost in 1992. Unusually, the effects of that devaluation have not been whittled away by higher wages and inflation. This means there has been plenty of scope for exporters to take the pain of the newly strong pound on margins rather than market share. This in turn makes it hard to predict whether a slowdown in export growth will occur later this year. Business surveys point to a sharp drop in orders which would normally be followed by a downturn in actual shipments.

On the other hand, half of the pound's appreciation to its current level – which looks as though it might be the peak – had occurred 12 months ago, so normally the

downturn in exports would already have happened. The overall impact of a rise in the exchange rate on growth might therefore turn out to be much smaller than feared.

Combined with the ever-growing evidence of the scale of the spending spree, this makes some of the gloomier economists predicting a sharp downturn next year, look like real Esquires. The Bank of England faces quite a conundrum.

Magellan's closure marks end of an era

The closure of Fidelity's Magellan fund to new investors marks the end of an era on Wall Street. Thanks to the stock-picking genius of its manager throughout the 1980s, Peter Lynch, the words Fidelity, Magellan and mutual fund are synonymous, for many US private investors.

Fidelity accounts for 13 per cent of the huge American mutual fund market and Magellan, its flagship, is a massive fund. It had \$63bn of assets under management at the last count, bigger than the annual GDP of Ireland. It has a 10 per cent stake in more than 300 companies in its home market and at least 5 per cent in almost 900 around the world.

That is a measure of the fund's success but it is also its biggest problem. Running Magellan has been likened to steering an ocean liner in a crowded harbour. Attempting to

steal a march on its smaller, nimbler rivals has required it to take bigger and bigger gambles on which sectors or asset classes would outperform. In recent years these calls have tended to be wrong.

Jeff Vinik, Magellan's manager until last summer when he was replaced by Bob Stansky, was a subscriber to the Tony Dye view of the market. As a consequence he took a big position in bonds and cash and so missed out on the earlier stages of the recent staggering rise in the Dow. He paid with his job, and Magellan with almost \$1bn of withdrawn funds.

Over the last year, Mr Stansky has dumped the bonds, reduced the cash pile and bet heavily on the market continuing to rise. So far he has proved right, the fund has started to outperform again and, as ever in this business, the pointers are belatedly piling in.

Closing the fund makes good sense then, if only because the whole thing was becoming progressively unmanageable. What the move tells us about the level of the US market is less clear cut. While size is probably more of a problem in a bear market than a bull one, Fidelity's concerns about the expected flood of private investors into its funds argues persuasively that sheer weight of money will keep shares rising. He may have closed his doors, but there is no sign of Mr Stansky turning bearish. Then again, there are few better signals of the top of the market than surging mutual fund sales.

IN BRIEF

Philip Morris holds dividend to save cash

Philip Morris has decided to leave its quarterly dividend unchanged at 40 cents a share in a move designed to conserve cash for the tobacco industry's proposed \$368.5bn (£229bn) national settlement of health-related lawsuits. The company, which makes Marlboro cigarettes, is expected to pay about half the settlement. Based on the company's history of raising dividends by about 20 per cent, the move will cost shareholders 8 cents a share, or about \$194m each quarter on the 2.42 billion shares in issue. Philip Morris has increased its dividend 10 times in the past 10 years. It last failed to do so in 1993 after cutting the price of Marlboro cigarettes to halve the loss of market share to discount brands. The move is part of the efforts by the company's chairman, Geoffrey Bible, to convince Congress and the White House that the industry cannot afford to pay more.

Rolls-Royce gets \$75m order for engines

Rolls-Royce has received an order for five RB211-535 engines, worth \$75m (£47m), following Continental Airlines Holdings' decision to convert five of the options for 16 additional Boeing 757 aircraft announced in April into firm orders. The five new aircraft will be delivered in June and December 1998, and January, February and March 1999. Rolls-Royce Canada has signed a multi-year agreement with Continental Airlines for the repair and overhaul of the RB211-535E4 engines which power the airline's 757 fleet.

Johnson Fry appoints finance director

Johnson Fry Holdings has appointed Cathy Toman finance director with effect from 18 September. Paul Gildersleeves, the present finance director, will remain on the board as an executive director until 9 October, after which he will leave the company to pursue other business interests.

Beales Hunter profits down 36 per cent

Profits at Beales Hunter, the Loughborough-based engineers, fell 36 per cent to £2.1m in the year to the end of May, although turnover rose 11 per cent to £63.8m. The group operates three divisions – electrical, refrigeration and textile. "Market conditions have made trading difficult," said chairman David Title. "The outlook is more encouraging following reorganisations this year."

Tinsley Robor buys pre-press company

Tinsley Robor, a leading supplier of packaging to the music and multimedia publishing industries, is buying Pinpoint, a pre-press company, for £2.7m cash, of which £1m is spread over the next three years based on meeting performance targets. Colin Baker, one of Pinpoint's two founders, will manage Pinpoint as a subsidiary of Tinsley Robor.

Proshare launches website for investors

Proshare, a supporter of wider share ownership, has launched a new website aimed at private investors. It offers more than 40 pages of free information to help investors understand key issues relating to share ownership. The site is at www.proshare.org.uk

Dominick Hunter warns of sterling knock

Dominick Hunter, the filtration products group, yesterday reported a 9.5 per cent increase in interim pre-tax profits to £4.6m, but warned that sterling would knock second-half results. Brian Thompson, chairman, said the company's hedging policy would limit the effects of the strong pound. Dominick said its industrial division showed outstanding performance, but the company was conducting a review of its process division after faltering progress due to "stronger sterling, changing market conditions and internal restructuring".

Chance expected to stay on at Sky

Cathy Newman

David Chance, second in command at BSkyB, is likely to extend his consultancy contract with the satellite broadcaster beyond next summer, according to senior sources at the company.

The deputy managing director announced he was to step down at the same time as Sam Chisholm, chief executive and managing director, who resigned due to ill-health.

Mr Chance said he would work as a consultant until next summer, but following a concerted campaign by Sky to make him change his mind and stay on, he is considering remaining for longer.

The impending departure of the top duo, combined with Sky's enforced withdrawal from British digital broadcasting, knocked more than £2bn off Sky's market value as the shares declined from a peak of over 600p to just above 400p.

As a result, Sky had come under pressure to win Mr Chance back. In particular,

some institutional shareholders had accused Rupert Murdoch, who has a 40 per cent stake in Sky through News Corporation, of nepotism by promoting his daughter Elisabeth to general manager, broadcasting.

City analysts said yesterday that if Mr Chance decided to extend his contract with Sky, he would help to assuage investors' concerns about the strength of the management team.

One analyst said: "It's a demonstration of faith in the future of the company. There was always a fear that the two biggest people were getting out before the launch of digital."

Mark Booth, head of BSkyB's satellite operation, has been appointed to lead the company through the difficult birth of digital satellite television, which will see the launch of 200 channels next spring.

Another analyst said: "It would be encouraging to have as strong a management team as possible in a formative period for Sky."

Securicor's mobile phone boss quits

Chris Godsmark
Business Correspondent

Securicor yesterday heralded a further shake-up of its troubled mobile phone business as it parted company with Ed Hough, chief executive of its communications division, by mutual agreement.

Mr Hough, 53, left his job with Securicor yesterday and did not have another post to go to. He is likely to receive a pay-off of around £280,000 from his two-year rolling contract. Last year he was paid £163,000 in-

cluding bonuses, with a basic salary of £140,000.

Jeff Pack, Securicor's group treasurer, said: "He went home yesterday and is not coming back to work. His resignation was by mutual agreement. Ed's interest in the business was really more to do with the growth phase."

Securicor said Chris Shirtcliffe, its finance director, would take direct control over Securicor Cellular Services, the mobile phone business in the UK which sells Cellnet airline. Securicor owns 40 per cent of

Cellnet, with the remainder controlled by British Telecom. Roger Wiggs, Securicor's chief executive, said a further announcement would be made within days about restructuring measures and management changes. Securicor shares fell 15p to 264p on the news.

Mr Hough's departure follows long-running troubles with the mobile business, which culminated in the spring with the announcement of an £18m exceptional restructuring charge.

"The economies of service provision have changed dramatically over the past two years. There's been such a degree of bad debt that it's become

necessary to be more careful than before."

Though Mr Hough was not in direct control of Cellnet, the mobile operator has also faced a series of fiascos, including the revelation this month of a £40m charge after the company abandoned work on a new billing system. It came on top of a £25m provision to cover billing delays, taken last year, of which £10m was charged to Securicor's first-half profits. In March Howard Ford left Cellnet as managing director.

Jim McCafferty, a telecommunications analyst from ABN Amro Hoare Govett, said Mr Hough's resignation suggested Securicor was determined to get to grips with the division. "They've realised these are loss-making businesses, so reporting direct to the finance director should help their visibility."

Other communications operations in the US controlled by Mr Hough will be the responsibility of Mr Wiggs. Securicor said Bob Shiver, a non-executive director of Intek, its US radio division, would become a full-time chairman and chief executive.

London leads the world in costly hotels

John Willcock

British athletics may be going through a dodgy patch, but there are two areas in which we still have clear world records: London has the most expensive hotels on the planet, while the UK has the highest-priced rail travel.

These chastening facts come from the tenth edition of the Prices and Earnings Around the Globe survey from UBS. The Swiss bank started producing the survey in the 1970s, and it appears every three years.

According to its compiler, Daniel Kalt, head of UBS Economic Research in Zurich, many companies use the report to fix employee pay levels around the world.

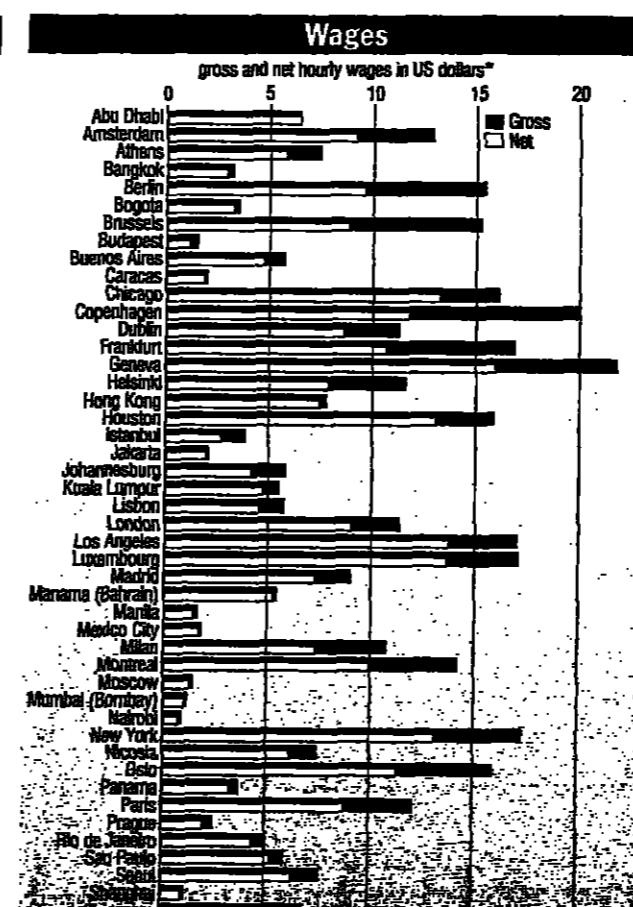
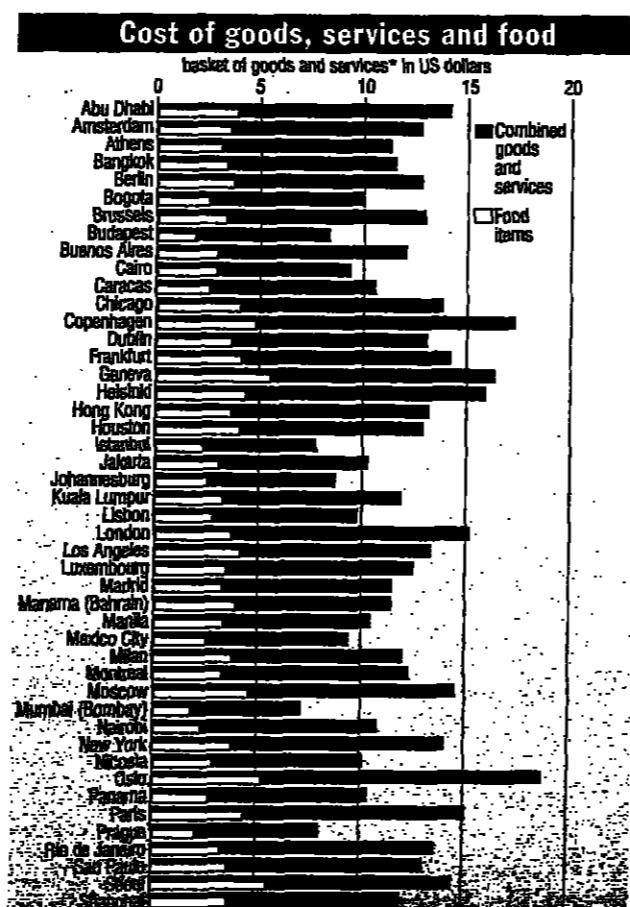
The UK doesn't break the bank in every department. London is the world's ninth-most expensive city in a top ten dominated by Scandinavian cities, although Tokyo leads the pack.

The survey finds that an overnight stay for two in the British capital will cost an average £248, well ahead of the global figure of \$168 (£104). Eating out on the other hand is good value compared with most Asian cities and Moscow.

For hard-pressed rail travellers in the UK, privatisation does not seem to have translated into more competitive prices quite yet, to put it mildly. The UK is the most expensive in the world with fare prices of £32 for a 120-mile second-class train ticket, some way ahead of the next most expensive – Switzerland. The global average is just £10.50.

The survey will further fuel dinner-party gossip in London about house prices: London has the highest rents for unfurnished two-bedroom flats, along with Moscow and Jakarta. For three-bedroom flats London is on a par with cities in Asia, New York and Moscow.

On the other hand, poor Londoners earn less than their counterparts in 20 other cities around the globe, including



business

Aluminium looks good for Billiton

THE INVESTMENT COLUMN

EDITED BY SAMEENA AHMAD

Kalon Group: At a glance

Market value: £500m, share price 171p (+9p)

Trading record	1994	1995	1996	95/96	96/97
Turnover (£m)	157.3	374.1	524.7	276.6	276.6
Pre-tax profits (£m)	19.6	2.9	19.3	19.6	24.4
Earnings per share (p)	10.1	1.2	3.1	3.7	5.2
Dividends per share (p)	4.5	4.8	5.2	1.7	2.0

Operating profit (£m)	Share price pence
15	180
12	160
9	140
6	120
3	100
0	80

■ (6 months) 1996
■ (6 months) 1997

appetite to diversify. It has already outlined bold expansion plans in the nickel, coal and copper markets. Given that and prospects of faster earnings growth than Rio, Billiton's discount to Rio should narrow. Good value.

Kalon prepares to splash out

Kalon, the Yorkshire-based paints group, has been an erratic performer since its merger with Euridep, the French paints subsidiary of Total, two years ago.

Shares in the group have sunk from 160p to barely over 100p towards the end of 1995, before recovering strongly this year.

The price perked up another 9p to 171p yesterday on the back of a 24 per cent increase in first-half profits and news of greater cost cutting at the merged entity.

At the time of the deal Kalon said it anticipated £10m total cost savings. Yesterday it revised that to £23.5m savings by 2000. Most of the additional benefits will come from France as the UK restructuring is already completed.

Kalon's performance has been creditable given the unfortunate timing of Euridep, a deal giving Total a 66 per cent holding.

The French economy hit the skids almost as soon as the merger was consummated. Managing director Mike Hennessy estimates the economic downturn in France has knocked £10m off profits with no sign of an upturn.

As France is the group's largest market, Kalon has had to work hard to achieve growth with most benefits coming from cost cutting and in-fill acquisitions.

The hike in interim profits to June to £24.4m was achieved in spite of the strong pound. This knocked 10 per cent off sales, but shaved just £1.8m from profits.

Though France remains grim, the UK is showing signs of life. UK sales were 5 per cent down due to the previously announced loss of some private-label contracts.

Sales of decorative paints to DIY sheds such as Sainsbury's Homebase and Do It All rose by 4 per cent. This is the first glimmer of hope in the market for several years.

But the limiting factor for Kalon is that though house prices have risen strongly in the South-east, the relatively low level of housing transactions has kept the lid on sales.

In France margins are ahead but trade volumes have been badly hit by lower government spending.

On the acquisition front, talk of a foray into the US was dismissed by the

company yesterday. Kalon is more likely to concentrate on Europe, where it is already the second-largest paints group. Germany, which is the largest paint market in Europe, should be the next target.

On full-year forecasts of £545m, the shares trade on a forward rating of 22, falling to 18 times. High enough.

Time that Marley homed in

With the housing market and the commercial property sector taking off it is logical to assume that the building material sector should also be booming.

So why then has the materials sector fallen by more than 5 per cent in the last year at a time when the stock market has raced away?

The simple answer is that many of the building suppliers went overseas to try to escape problems at home when the housing market fell into recession in the early 1990s. That was fine while continental European markets were flourishing. But the strong pound and an alarming tail-off in important markets such as Germany has put a real dent in profits.

Marley, which sells everything from roof tiles to plastic drainage and plumbing systems, has been one of the worst casualties. Its shares, which slipped another 3.5p to 109.5p yesterday, have plunged from 140p last October.

However, the fall looks overdone. True, sterling's strength knocked £2.3m off profits in the six months to June and hit exports of flooring products to Germany. Even so, underlying profits rose 11 per cent to £28.8m, ignoring the one-off profit the company made from selling its automotive business last year.

Strong growth in housing starts in Britain, forecast to rise by around 10 per cent this year, is helping Marley's blocks and roof tiles business and it should be able to make price rises of 10 per cent this year.

The rate of growth will no doubt slow, but the market looks set fair for the next few years.

Synoco, the US plastic furniture manufacturer bought in 1995, has been a serious disappointment due to an indifferent US retail market.

The episode gives little confidence that Marley, which is on the hunt for more acquisitions, can spend its money wisely.

That said, the recent purchase of Flexco, a US flooring group, looks promising, and the worries are more than reflected in Marley's low rating. Analysts are forecasting full-year profits of £50m, putting the shares on a prospective price/earnings ratio of 11. Good value.

Carl Lewis speeds off-track to back AIM flotation

Andrew Yates

Carl Lewis, one of the world's greatest athletes and winner of nine Olympic gold medals, yesterday took a break from the track to launch the flotation of Trialair, a company which has developed a revolutionary mountain bike used by the sports star.

Mr Lewis likes the new bike so much he indicated he was looking to buy shares in the company when it floats on the AIM market next month. He will receive a royalty on every bike, which retails for US\$500 (£310), in return for starring in a world-wide advertising campaign.

Robin Kesner, Trialair's largest shareholder and its American chief executive, stands to make a paper profit of up to £4m on flotation. She will own 50 per cent of the company which is likely to be valued at around £8m. The directors will also be eligible for a share-option scheme but Trialair has no plans to make Mr Lewis a director and he will not receive any options.

The mountain bike has a unique dual-action system which means that cyclists can pump their arms up and down as well as pedalling to set the wheels in motion. The cyclist can activate the new action, which drives both wheels, by flicking a switch on the handlebars, making it easier to go up hills or pedal over rough terrain.

Mr Lewis said at a press conference in London: "This is something that could change the way we think about health and fitness. I have had the bike for over a year and use it every day. I use it to take my dog out for a run and the bike goes everywhere; on hills, sand or just the street."

This is the first business venture Mr Lewis has become involved with since announcing his retirement from athletics. On Tuesday he crowned his glittering international career by anchoring a US 4x100m relay team to victory in Berlin, his last European track appearance.

Mr Lewis denied he would be



Carl Lewis sporting the revolutionary Trialair bike in his first post-retirement business venture. Photograph: Adrian Dennis

tempted to return to the track against some of the world's current sprinting greats for one last big pay day. "Financially things are fine. The only reason I run is for passion and from my standpoint the passion is no longer there," he said.

He plans to continue his lucrative association with the sportswear giant Nike and is planning to get involved with other entertainment and business opportunities. "I am looking forward to my retirement [next month]. It is like graduating from high school and it is easier as I have had such a great career," he said.

Trialair raised £160,000 via a private placing earlier this year to develop the bike and plans to raise another £1m on flotation. If the London flotation is successful it is considering a secondary listing on the US Nasdaq market.

The group aims to market the product in the US and Europe on QVC, the home shopping channel and on "infomercials" starring Mr Lewis.

It aims to sell 200,000 bikes a year within two years. The company has published illustrative profit forecasts of £1.875m on sales of £6.5m for the year to September 1998.

Rushmere turns to business training

Clifford German

Rushmere Wynne, the loss-making former publisher, yesterday agreed to buy the residential training division of Coutts Consulting for £6.5m in cash in a deal which completes its conversion into a provider of business training services.

Analysis said that Reynolds, which has a good spread of products in the US, was a sound partner and was probably interested in Kalamazoo for its platform it would provide into the European car dealer software market, where it has no foothold. Kalamazoo has a 45 per cent market share in the UK.

The deal is being financed by a £4m loan, a bank overdraft facility of £500,000 and an open offer of 120 million shares at 1p each. Shareholders will be offered three new shares for each two shares held.

It is the third big reorganisation this year for the struggling group which was launched on AIM two years ago when 27 per cent of the company was floated, raising £750,000. The cash was used to take over another small publisher, Rosters, and a jobbing printer, HS Printers.

The shares were suspended at 2p last November when the company warned it would make a loss of £100,000 in the 10 months to the end of September 1995 instead of the profit it forecast when it floated. It later reported losses of £329,000 for the period, and a further loss of £293,000 for the six months to the end of March this year.

In March Rushmere Wynne bought Fairplace Training, which operates training facilities at Bircham Court in London, from Fairplace Consulting for cash and 50 million shares, and Fairplace Training's chief executive, Colyn Gardner, became executive chairman of Rushmere Wynne.

Last month the original loss-making publishing interests were sold to BT Bassett for £225,000 in cash and shares. The business will be renamed Bircham International. The group yesterday reported an unaudited loss of £370,000 for the nine months to the end of March.

US company mounts Kalamazoo rescue

Sameena Ahmad

Kalamazoo, the troubled UK computer services company which named itself after a one-horse town in Michigan, has once again turned to the US, this time for a rescue refinance.

Bob Jordan, chairman, called the link-up with UK-based Reynolds, an "elegant solution to a difficult problem". Analysts said the deal looked remarkably free of strings, wiping out Kalamazoo's sky-high debt. Though Reynolds, which is capitalised at £1.6m (£1bn), will appoint non-executive directors to Kalamazoo's board and share products, there are few other binding conditions and Reynolds has agreed not to buy more shares in Kalamazoo for two years.

Shares in Kalamazoo, which took the opportunity to warn of a substantial first-half loss due mainly to investment in its car dealer software Elite, closed 9.5p ahead at 85p.

The deal ends months of takeover speculation. Shares in the company, which tumbled earlier this year after a profits warning and revelations of accounting problems, have been supported by bid rumours, including a shunned approach from UK rival Lynx.

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"This is a true strategic alliance," said Mr Jordan.

"They are putting £2m into our company, they will exchange products and put non-executives in, but

they have no special privileges."

The deal will give Kalamazoo the cash it desperately needs to develop its car dealer software system. "We were near the limit of our bank borrowing facilities. Our gearing was uncomfortably high. We are uncomfortable with a torrid first half," said Mr Jordan.

He was equivocal on whether Reynolds was planning to launch a full bid after two years: "We'll cross that bridge when we come to it."

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Investment banking helps Credit Suisse profits rise 70%

Tom Stevenson

Financial Editor

A good performance from investment banking helped Switzerland's largest bank, Credit Suisse, to a 70 per cent increase in first-half profits.

Credit Suisse First Boston contributed almost two-thirds of the group's interim profit of 1.4bn Swiss francs (£580m), despite a sharp rise in staff costs.

Credit Suisse highlighted CSFB's "outstanding" performance, which it said had benefited from strong economic and market conditions in most countries, including the emerging markets. The bank said revenues

and profits were growing faster than most of its competitors."

Credit Suisse said its net profits of SFr85.5m, 62 per cent of the total and a 51 per cent increase on the first half of 1996. The rise came despite a 40 per cent rise in expenses. John Leonard, an analyst at Salomon Brothers, warned: "Although cost increases were well covered by revenue growth in the first half, an awful lot of revenue growth just went straight into cost."

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Company Results

Turnover £	Pre-tax £
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business

Industrial decline is no horror story, just a sign of success

There is a spectre haunting Europe, or so you might have been led to believe. It is the threat of a hemorrhage of industrial jobs from the rich countries to the cheap-labour Third World.

An unholy political alliance of left-wing bleeding hearts and right-wing nationalists is taking arms against the process of "globalisation", especially direct investment by multinationals in the newly industrialising countries, which they blame for the loss of jobs in manufacturing at home. The demands vary from outright protectionism to the imposition of minimum labour standards on developing countries, but they rest on the same interpretation of the "economic horror" (to quote the title of a recent French bestseller) of the global economy.

Some voices of reason have long been pointing out the excesses and errors of this global nightmare school of economic analysis. (One of Paul Krugman's excellent demolition jobs, *The Age of Diminished Expectations*, has just been issued in paperback by MIT Press.) However, a recent paper published by the International Monetary Fund goes even further, suggesting that de-industrialisation in the rich economies is not only caused by trade with poorer countries, it is also a sign of a vigorous and dynamic economy. The more the share of manufacturing has shrunk, the more successful the economy.

The authors, Robert Rowthorn, a professor of economics at Cambridge University, and the IMF economist Ramana Ramaswamy, write: "De-industrialisation is not necessarily a symptom of the failure of a country's manufacturing sector, or for that matter of the economy as a whole. On the contrary, de-industrialisation is simply the natural outcome of the process of successful economic development.

Their argument is that economic development involves a process of shifting employment and output from one sector to another, from agriculture to manufacturing and then to services. The process is driven by productivity growth. Employment, in particular, shifts from



Diane Coyle

An unholy alliance of left-wing bleeding hearts and right-wing nationalists is taking arms against 'globalisation', which they blame for the loss of jobs in manufacturing at home

high productivity to low productivity activities. De-industrialisation therefore reflects the success of manufacturing in boosting levels of productivity and efficiency.

The paper gives figures showing that the manufacturing share in total employment and value added

has been declining in the OECD countries since about 1970 – earlier in the US. For the "industrial" countries as a whole (or should that be "post-industrial"), the proportion of employees working in manufacturing has fallen from 28 per cent in 1970 to 18 per cent by 1994. By contrast, service sector employment has climbed from 42 per cent to 65 per cent. Although the shift from spending on manufacturing to spending on services has been smaller, the greater productivity gains in manufacturing have pushed down the share of employment in manufacturing.

There are differences between countries that seem to be explained by trade patterns, but not with developing countries. Specifically, Japan has gained a bigger chunk of the export market for manufactures, while the US has lost a big chunk. This explains the faster-than-average pace of de-industrialisation in America and its slower pace in Japan.

A second difference is that the level of employment in US industry has not declined in absolute terms, whereas it has in Europe. In the latter case, slow growth has linked de-industrialisation with unemployment and stagnant earnings. But the authors conclude: "Even if these countries had grown faster than they actually did during this period, de-industrialisation would still have occurred, though with more favourable effects on living standards and employment."

Breaking down the possible causes of de-industrialisation, they find that for the group of OECD countries as a whole, the 9.6 per cent drop in the share of manu-

facturing employment can be attributed to higher productivity growth in industry (minus 6.3 per cent); trade (0.2 per cent – small but positive); weak investment (minus 1.8 per cent); and misallocation (minus 1.7 per cent).

The trade effect for the whole group combines a big negative for the US and a big positive for Japan. Low investment played a small part in manufacturing job losses everywhere apart from the US.

Their conclusions are that the decline of industry is a concern to the extent that it causes disruption during the adjustment, but no further. Future prosperity in the rich nations will depend on the growth of productivity in the dominant service sector.

Separate IMF papers in the same batch provide more ammunition against the ghoulish tendency. One confirms earlier research that it is hard to find any evidence that imports from developing countries have had a big impact on either wage levels or income inequality in the rich countries. Increased trade accounts for 10-20 per cent of the changes in earnings during the past two decades, although the report warns that future growth in trade could make workers increasingly vulnerable and insecure.

Another finds that low foreign labour standards, like low wages, are the mirror of low levels of productivity on the part of Third World workers. They are not a form of unfair competition. "There is little basis for fearing a competitive 'race to the bottom,'" it says, warning that the introduction of minimum labour standards in trade agreements would harm the very people – the exploited poor of the developing world – they are claimed to help.

"De-industrialisation: causes and implications", by Robert Rowthorn and Ramana Ramaswamy; "The Effect of Globalization on Wages in the Advanced Economies", by Matthew Slaughter and Phillip Swagel; "International Labour Standards and International Trade", by Stephen Colub. All IMF working papers, April 1997.

Pugwash might be worth a punt as he sets sail for US

PEOPLE & BUSINESS

Fancy taking a punt on Pugwash? Britt Allcroft, the AIM-listed company headed by Angus Wright, owns the world-wide rights to Captain Pugwash and has begun shooting 26 new episodes of the cartoon show.

The programmes should be shown in a year's time, and while Britt Allcroft's share price has been a party-pooper over the past year they might perk up when the market hears about plans to screen Pugwash in the US.

An industry source said: "This could be bigger than Thomas the Tank Engine. It knocks the spots off Sooty and Noddy in the popularity stakes."

Britt Allcroft also holds the licence to develop products based on another cartoon hero, Thomas the Tank Engine, including toys and T-shirts.

Watch out in your local shops for Pugwash T-shirts. Other piratical clothes are mooted. Such products will never compare however with "Thomas the Tank Engine Fromage Frais" as well as Thomas rice seasoning, popular in Japan, apparently.

There has never been a better time to be a slimming train-spottter, it appears.

Thomas alone generated sales of £11.5m and profits of £2m for the year to June 1996, with this year's results due out on Monday. City sources expect the numbers comfortably to beat analysts' forecasts thanks to pre-Christmas sales of Thomas.

James Sherwood, the larger than life millionaire industrialist who owns the Great North Eastern Railway, has given an interview to this month's issue of *The Railway Magazine* which makes sobering reading for anyone planning a train journey.

At one point the American-born tycoon was asked about the telephone inquiry bureaux (TEBs) the Government ordered the new rail owners to set up after privatisation, to enable passengers nation-wide to find out train times, despite the fragmentation of the industry.

The TEBs were criticised in a recent report for failing to answer up to half of customers' enquiries. Mr Sherwood was unimpressed by the fuss.

"As far as I'm concerned, every phone call which comes into a TEB is an opportunity to sell, so we are going to have a blitz on our network and are going to say to everyone who calls in: 'Don't call the TEB in future, call tellesales.'

Great North Eastern's telesales departments are separate from the TEBs and, unlike the latter, he could "make any trouble there". I phoned him up to hear his reaction.

The rail mogul continues: "After a while, we will be able to go to the regulator and say, 'Look, the number of calls we are getting to our TEBs is minuscule, so why not do away with them?' It will happen eventually, anyway, for as the number of calls to the TEBs drops we will reduce the staffing levels."

Mr Sherwood concludes with a flourish: "I know the regulator and the franchise director might not like it, but I couldn't care less what they think! Train operators have to be motivated and this is one way of doing it."

"We will send you information when hostilities re-commence in October."



Pugwash: He could be bigger than Thomas the Tank Engine

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holiday camp business next Monday, which is why punters it has recruited Ken Johnston as Butlin's sales and marketing director. Mr Johnston joins from Pepsi Cola Company, where he was director of brand marketing for Pepsi's investment into central Europe.

Prior to that he was the country manager for Pepsi's launch in Israel, so he has plenty of international experience. Perhaps Butlin's is going to take on Euro Disney in France?

Back to reality. Mr Johnston, 37, got a BSc in civil engineering from the University of Lancaster after attending Exeter School, and he also has an MBA.

One of his first jobs was at Wellis, the health care company, in 1986.

In 1988 he joined Pepsi Cola and spent the next eight years working abroad for the fizzy drinks company, including stints in Cyprus and Vienna.

Part of the reason for his joining Butlin's, I hear, is that he wanted to come home. Hi de Hi.

Hearing that Michael Hardern, the zany freelance butler and building society carpetbagger-in-chief, had been expelled by the Coventry Building Society before he could "make any trouble there", I phoned him up to hear his reaction.

I got a recorded message, addressed, no doubt, to the many people interested in obtaining his "Carpetbagger's Guide" on how to pressurise building societies into converting to bank status.

Mr Hardern's message says: "This is the close season for building societies until Michaelmas – 29 September. If, however, you can't resist helping, please consult carpetbagger.com [on the Internet] or send us a self-addressed envelope."

"We will send you information when hostilities re-commence in October."

John Willcock

Foreign Exchange Rates

Country	Sterling			Dollar		
	Spot	1 month	3 months	Spot	1 month	3 months
US	161.13	23.21	23.40	63.60	100.00	100.00
Canada	2.2425	2.2425	2.2425	1.3524	1.3524	1.3524
Germany	5.9170	5.9170	5.9170	1.3131	1.3131	1.3131
France	9.8245	9.8245	9.8245	1.2518	1.2518	1.2518
Italy	25.6000	24.0214	24.0214	1.7873	1.7873	1.7873
UK	14.2452	14.2452	14.2452	1.4527	1.4527	1.4527
Belgium	6.0125	6.0125	6.0125	1.5131	1.5131	1.5131
Denmark	17.0823	17.0823	17.0823	1.2125	1.2125	1.2125
Netherlands	10.0000	10.0000	10.0000	1.1692	1.1692	1.1692
Australia	1.7268	1.7268	1.7268	1.3245	1.3245	1.3245
Hong Kong	1.2748	1.2748	1.2748	1.3245	1.3245	1.3245
Malaysia	4.5629	4.5629	4.5629	1.0243	1.0243	1.0243
Singapore	2.4292	2.4292	2.4292	1.3524	1.3524	1.3524
Saudi Arabia	6.0432	6.0432	6.0432	1.3524	1.3524	1.3524
Malta	1.7533	1.7533	1.7533	1.3524	1.3524	1.3524
Malta	2.4292	2.4292	2.4292	1.3524	1.3524	1.3524

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	0.9088	1.0000	Nigeria	132.304	82.0000
Austria	2.0252	12.7077	Orman	0.6204	0.3950
Brazil	1.7594	1.0718	Philippines	65.2237	40.4735
China	1.0200	8.2822	Portugal	45.1253	29.9000
Finland	5.6765	3.9557	Malta	1.3245	1.0243
Greece	4.5218	5.4367	Costa Rica	9.8857	3.5410
Greece	3.6523	22.0500	Russia	9.9343	5.8200
Iceland	5.2028	22.8400	South Africa	7.5684	4.5965
Iceland	5.2028	22.8400	US	46.0000	27.8000
Iceland	5.2028	22.8400	UAE	5.9744	3.7372

Forward rates quoted high to low are at a discount: subtract from spot rate

Rate quoted low to high are at a premium: add to spot rate

For the latest foreign exchange rates call 0891 123 3033.

Calls cost 50p per minute.

Interest Rates

Country	700%	250%	50%	250%	50%	50%
UK	7.00%	4.50%	4.50%	4.75%	4	

Fallon ready to travel for title

RACING

GREG WOOD

When asked recently why his firm did not bet on the jockeys' championship, the PR man for one leading bookmaker replied that doing so invariably cost them a packet. Hard though it is to sympathise with a bookie, the wild shifts in betting on the 1997 Flat race in recent days imply that his reluctance was borne of commercial reality rather than cowardice.

The problem for a bookmaker is a topsy-turvy two-horse race like the one underway between Frankie Dettori and Kieren Fallon, who are level on 125 winners after the latter's double at Brighton

yesterday, is that hardly anyone ever bets at odds-on. Instead, punters weigh in at odds like the 11-4 available with the tote about Fallon yesterday morning, and then sit back and watch as he shrinks to 7-4 in the course of an afternoon.

With Dettori idle for five days next week, it is more than likely that those who took a price yesterday will be able to back the Italian and guarantee themselves a profit within little more than 10 days.

Those who do not cover their bet can be sure that Fallon will spare no effort in the pursuit of his first title. "I can't afford to take time off like Frankie. I'm not as wealthy as him," Fallon said yesterday after winning a maiden and a handicap at

Brighton with a combined valuation of less than £7,500. "The way I look at it, whether it's Brighton or Bath, they are all winners and they all count, sellers and all."

The depth of that commitment may be tested as soon as

RICHARD EDMONDSON
NAP: Newport Knight
(Lingfield 4.30)
NB: Keen Waters
(Lingfield 5.00)

next Monday, when Hamilton stages the only Flat racing in Britain, but on the day when Dettori begins his suspension, it is a far bet that Fallon will make the trek to one of the more remote tracks in the country.

FORM GUIDE
HYPERION
4.00 DASHING BLUE (nap)
4.30 Bold Buster
5.00 Sixties Mystery

It is too early to begin working about the championship," Fallon added. "There is still a lot of the season left, and look what happened to Frankie last year when an injury put him out for a long time. Wait until the last two weeks of the season, but it might be exciting." In truth, of course, it already is.

Pat Eddery's chance of defending the title has all but evaporated, but he can at least look forward to the Ayr Gold Cup next month with some optimism after Plaisir D'Amour, a winner for the Irishman at York last week, was installed as 14-1 favourite for the event yesterday.

Owned by Michael Tabor and trained by Neville Callaghan, Plaisir D'Amour is

the first to begin working about the championship," Fallon added. "There is still a lot of the season left, and look what happened to Frankie last year when an injury put him out for a long time. Wait until the last two weeks of the season, but it might be exciting." In truth, of course, it already is.

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Pat Eddery's chance of

one of 142 entries, a record for the race, a field which is headed by Coastal Bluff, last year's winner, with a burden of 10st 2lb.

Coastal Bluff, who dead-heated with Ya Malak for the Nunthorpe Stakes at York last week, has an alternative engagement, however, in the Sprint Cup at Haydock on Saturday week. That is also the next destination for another of Tabor's runners, the Stewards' Cup winner, Danetime, who was reported yesterday to have recovered from the slight setback which forced him to miss the Nunthorpe. "He seems perfect now," Callaghan said.

There was disappointment yesterday for Mick Fitzgerald in his attempt to equal the record sequence of winners for a jump jockey of 10 in a row. Since his win on Irie Mon at Market Rasen on 8 August, Fitzgerald had partnered eight consecutive winners – for seven different trainers – but he could finish only ninth on General Glow in the opening race at Worcester, his only ride of the afternoon.



FORM GUIDE
HYPERION
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4.30 Bold Buster
5.00 Sixties Mystery

It is too early to begin working about the championship," Fallon added. "There is still a lot of the season left, and look what happened to Frankie last year when an injury put him out for a long time. Wait until the last two weeks of the season, but it might be exciting." In truth, of course, it already is.

Pat Eddery's chance of

brewing giants, are the current favourites, having offered in excess of £1.2m annually. Barclays Bank and another brewing company, Bass, are also among the bidders.

One man in need of a stiff drink yesterday was Greg Smith, who predictably resigned as Australia's national coach in the wake of the their 60-point reverse against South Africa in Pretoria last weekend. John O'Neill, managing director of the Australian Rugby Union, said: "The pressure of constant speculation has taken its toll on Greg's family life and his health. He's decided that this cannot continue and I fully support that decision."

Smith guided his team to a "Celtic Slam" in Scotland, Ireland and Wales last autumn but failed to cut any ice in the more demanding Tri-Nations series with New Zealand and the Springboks and the depressing events at Loftus Versfeld finally forced him to fall on his sword. Rod Macqueen, Canberra-based coach of the wildy successful ACT outfit, is an obvious candidate to take over. Other names in the hat include Alec Evans, a former assistant coach of the Wallabies who has just started a second stint at Cardiff, and John Connolly, Macqueen's Super 12 counterpart at Queensland.

England's annual Cook Cup match in Australia next July will be preceded by a demanding five-match trek around New Zealand. The itinerary includes two Tests against the All Blacks, in Dunedin on 20 June and in Auckland seven days later.

ENGLAND ITINERARY: 23 June: New Zealand A, Hamilton; 26 June: New Zealand, Auckland; 29 June: New Zealand Mori, Rotorua; 27 June: New Zealand, Auckland.

Brittle's pledge to investigate

Rugby Union

CHRIS HEWITT

Cliff Brittle, arch bogeyman of England's professional clubs during the civil war that almost brought domestic rugby to its knees last season, yesterday donned the mantle of honest broker in an effort to avoid an outbreak of renewed hostilities.

The much-maligned chairman of the Rugby Football Union's management board promised to investigate allegations that his representatives had attempted to persuade leading players to ditch their club contracts in favour of legally binding agreements with the RFU.

Rod Andrew, the former England outside-half and current director of rugby at Newcastle, claimed last week that "underhand" approaches had been made, aimed at "wresting control away from the club". Brittle reacted quickly, corresponding with the 24-strong membership of the Allied Dunbar Premiership to reassure them of his good faith. "I take the accusations extremely seriously," he said, before calling on Andrew to produce evidence in support of his comments.

"This needs to be investigated," said Kim Deshayes, the chief executive of English Rugby Partnership, which administers the major club competitions. "If Rod Andrew is right in what he says, it would be an area for considerable concern."

The RFU are preparing to announce a new backer for the national knock-out cup, a competition currently unsponsored following Pilkington's withdrawal from the rugby marketplace. Carlsberg-Telley, the

Lampard left out of British team

Equestrianism

GENEVIEVE MURPHY

reports from Mannheim

Dublin Grand Prix winner, Tees Hanauer, who has the better form this year.

Di Lampard's hopes of a place on the British team for this week's European Show Jumping Championships ended in disappointment yesterday, when the team was named.

Goeff Billington, riding Virtual Village II, will be first to go for the British team in to-day's opening leg of the contest, which will be judged on time.

He will be followed by Michael Whitaker on Asiley, Robert Smith on Senator Tees Hanauer and John Whitaker on Welham.

Lampard, who has shown consistent good form in the last month, will be left to support the team from the sidelines.

She will, however, have the chance of compensation when she rides Abbaville Dream in Saturday's Grand Prix.

There was no obvious partnership to discard from the squad of five when Malcolm Pyrah (chairman of the International Committee) and Michael Bullman (chairman of the selectors) made the decision yesterday. Ronnie Massarella, the British team manager, was not involved. He could have been seen to have a vested interest since he owns Orbits, one of Robert Smith's two mounts.

It would not have made much difference, Smith, who gets his first place on a senior championship team, was expected to be chosen with his

Results, Digest page 23

Optimistic England

Hockey

BILL COWILL

England were in optimistic mood last night at Bisham Abbey as they made their plans to lay the Australia bogey to rest and entertained their guests to a barbi.

The teams meet this evening at Basingstoke in the first of their two Test series in the knowledge that England have not beaten their great rivals since winning 2-0 in Melbourne in 1985 with goals from Richard Dodds and Imran Sherwan.

England's optimism is based partly on the approach they showed in a training game against Southgate last Sunday, which they won 7-1 – new-found aggression paid dividends – and partly on the briefing their manager, David Whittle, and their coach, Dick Clarke, gave them after watching Tuesday evening's game in which Australia beat the England Under-21 side 3-1.

The new aggression largely follows the return of the Old Loughtonians pair, Julian Halls and Nick Thompson, in a very experienced squad.

Halls has returned from a spell in the Netherlands looking extremely fit and sharp in de-

LINGFIELD

2.00 Generous Embrace

2.30 Ed's Folly

3.00 Dashing Chief (nb)

3.30 Muhib

GOING: Turf – Good. All weather track – Standard.

STAFFS: Turf – Good. In tonight, 1m 37 100ds outside; AWT – inside.

DRAW ADVANTAGE: On inside, 1m 37 100ds outside; 1m 37 100ds inside; 1m 37 100ds outside; 1m 37 100ds outside.

Left-hand, sharp run course with 77 1/4 yards straight and 1m 37 100ds outside.

Course is SE of town (B208). Lingfield station (served by London, Victoria) 10 miles.

ADMISSION: Members £5.10, Tattersalls £5.10, Lingfield £5.10, Lingfield (01783) 822200.

TIME: 1.30pm. TUESDAYS: 7.15pm. LATE: 1.30pm.

LEADING TRADESMEN: J. Weston (01783) 822200.

LEADING JOCKEYS: J. Weston (01783) 822200.

BLANKETED FIRST TIMES: Petaing (2.00); Bigot (3.00); Mol (3.00); Jasen (3.00); Eddie (4.00); Eddie (4.00); Seven Days (None).

LONG-DISTANCE RUNNERS: Best Man (nb); Bad (nb); Bad (nb); M. Reevy from Lingfield, Cleveland.

M. Reevy from Lingfield, Cleveland.

2.00 LABYRINTH ICE CLAIMING STAKES (CLASS F) £3,300 added

210ft 6m Penalty Value £22,277

1. 5 GENEROUS EMBRACE (16) (Dob) Thorntree D Borthwicke 9.0 J Rail 45

2. 0100 TRUTH TELLER (22) (9) (C Smith) H Fallon 9.0 P Doh 45

3. 050 MYSTIQUE (7) (Noddy) R Weston 9.1 D. O'Neill 45

4. 052 NIMBLE (Pheasant) S Wright 8.1 S. Doh 45

5. 055 MELISSA (M) (L) (C) Mrs G M Tammerton R Weston 9.2 D. O'Neill 45

6. 052 COASTAL (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

7. 043 TERRIBLE (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

8. 042 TEEPEE (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

9. 000 DASHING (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

10. 000 DASHING (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

11. 000 DASHING (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

12. 000 DASHING (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

13. 000 DASHING (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

14. 00026 PEDALIS (17) (C) Mrs R Weston 9.1 D. O'Neill 45

15. 00025 SUPER (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

16. 00024 ED'S FOLLY (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

17. 00023 MURPHYS IRISH STOUT HANDICAP (CLASS E) £4,025 added

7ft (AV) Penalty Value £3,538

1. 00044 MOH CHAN (20) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

2. 00026 NAPER STAR (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

3. 00025 LANCASHIRE LEGEND (22) (9) (C) Mrs R Weston 9.1 D. O'Neill 45

4. 00022 SHAW (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

5. 00021 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

6. 00020 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

7. 00019 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

8. 00018 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

9. 00017 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

10. 00016 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

11. 00015 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

12. 00014 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

13. 00013 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

14. 00012 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

15. 00011 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

16. 00010 BONNIE (22) (9) (C) Mrs G M Tammerton R Weston 9.1 D. O'Neill 45

17. 00009 BONN

Such is the impact Tiger Woods has made that even if he quit golf today he would be more than a footnote in sporting history

They come in handy at times but normally, I find the facts and figures of sport boring. Yesterday was different. Yesterday brought the news that Tiger Woods, in his first season as a golf professional, has brought in \$65.3m (£40.8m) of "new money" to the sport and is such a boon to television that viewing figures for the final round of the four major championships were up by nearly 59 per cent from 57.6 million homes to 91.5 million.

Even people who are mystified by the heed given to the propulsive of a small white ball over open countyside cannot fail to be impressed by those statistics.

They establish beyond all reasonable doubt that Woods, at just 21 years old, is already one of

sport's leading figures. The clue to his future, and what a future it promises to be, lies, I believe, not only in power and imagination but in the subconscious desire for genuine heroes.

It helps that golf is a well-managed game, but where is there anyone so talented with such a pleasing profile. Woods's smile is now as famous as his ability to make course architects look ridiculous. If he scowls people are quick to forgive him.

What we see is not only brilliant application of a gift but enthusiasm, intelligence and quite remarkable maturity. If Woods is not the greatest player golf has ever seen, he will probably get there.

When you look at Woods, hear

him in conversation, there is the unavoidable impression that he knows there is a lot to be thankful for. There is the demonstrable fact of an ethnic background that might have made it difficult for him to break into an overwhelmingly white sport but for his demeanour and ease in communication.

Such is the impact Woods has made that even if he quit golf today he would be more than a footnote in sporting history. After only twelve months on the USPGA Tour (with winnings of almost £3m) people associate him with golf in the way they associate Muhammad Ali with boxing and Sir Donald Bradman with cricket. This is a true measure of

self how many performers in sport today can claim to meet the criteria of history? A sportswriter I once knew, a man of considerable talent and understanding, once said in a rueful moment that real sports heroes were becoming so thin on the

ground that soon they would be an extinct species. "There are plenty of people who can play and fight, but not many I would be happy to have round for dinner," he said.

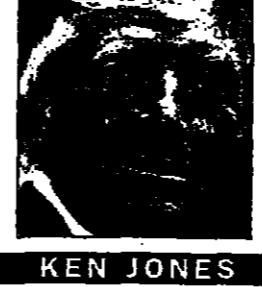
We hear and read so much about the scale of earnings in sport today I suppose it's only natural to suppose that old values have become redundant. Largely due to the influence of television, substance often takes second place to presentation. It is triumphantly claimed in some quarters that sport, in the main, is a damn sight better than it used to be. But what you have to say is that very few sports performers now are likely to come up smelling of roses. Sportsmanship excites the public about as much as brass rubbing.

Consequently we look back on people whose natural heroism captured the nation's attention. You can make an anniversary out of most events, triumphs, tragedies, the passing of great men, but in the context of this theme something that occurred 60 years ago on Saturday is worth putting forward.

On 30 August, 1937 Tommy Farr challenged Joe Louis for the heavyweight championship of the world in New York. Farr was the son of a former collier from Tonypandy in South Wales he once walked to London looking for work and by the age of 23 had taken part in more than 100 professional contests, often fighting twice a week.

When Farr went in with Louis the nation held its breath. People throughout the land huddled around wireless sets eager for news of Farr's progress. Bonfires blazed on the hills around Tonypandy and reports were sent down to working miners. It was thought in the United States that Louis, a renowned puncher, would end the fight quickly but Farr took him the distance. You may think me biased in this but it was the best performance ever given abroad by a British heavyweight and made Farr a hero for the rest of his life.

On this note of nostalgia I leave you with the thought that Tiger Woods represents the stuff of which history is made. One of the few heroes in an age of cardboard cut-outs.



KEN JONES

Wild card choice may be delayed

Golf

ANDY FARRELL

reports from Munich

"Thank God, it'll all be over on Sunday," said Colin Montgomerie as he boarded his plane for Munich. Monty, who, like US Open champion Ernie Els, is one of the few lucky ones at the BMW International not concerned about his Ryder Cup place, captured the right mood concerning the year-long qualification process and the (almost as long) speculation over Seve Ballesteros's two wild cards.

But as a statement of fact, the Scot's words could yet prove erroneous. There is a possibility that Ballesteros, the European captain, will not name his additional selections even after the 10 who have earned automatic places at Valderrama are confirmed at the weekend.

Any delay will centre on the fitness of Miguel Angel Martin, whose wrist tendon injury was expected to prevent him from playing for the rest of the season. The Spaniard, who won the Heineken Classic in Perth in February, has been in the top 10 on the points list ever since the qualifying started last September.

But he has been slipping down the standings since he pulled out of the World Invitational at Loch Lomond, and then aggravated the injury by playing in the Open with a cortisone injection, against the advice of the Open doctor. An operation left Martin in plaster for three weeks.

In Ireland, a week ago, Ballesteros said: "Even if he makes the team, he will not be able to play." If one of the top 10 at the end of qualifying cannot play, the 11th man is automatically selected. By gaining that position after finishing joint third at the European Open on Sunday, Jose Maria Olazabal looked to have solved his captain's wild card puzzle.

Martin's cast was removed on Monday and when he spoke to Ballesteros on Tuesday, he indicated a desire to prove his fitness.

"Martin has not withdrawn," Ballesteros said. "If he qualifies,

he has a right to play. He will have one week after Sunday to make a decision."

Should Martin remain 10th on the points list - and Olazabal just needs to finish 20th or better to pass him - Ballesteros may prolong the wait for Nick Faldo and Jesper Parnevik.

Olazabal and Padraig Harrington, who needs to be fifth to pass Martin, are best placed to make the team, but anyone down to Miguel Angel Jimenez in 23rd position could make the top 10. "I have no problem if anyone plays their way on to the team," Ballesteros said.

As for Faldo's complaint that he should have heard from the captain by now, Ballesteros said: "I made it very clear from the beginning that no one should have a wild card before the top 10 is decided. It is a respect to the other players."

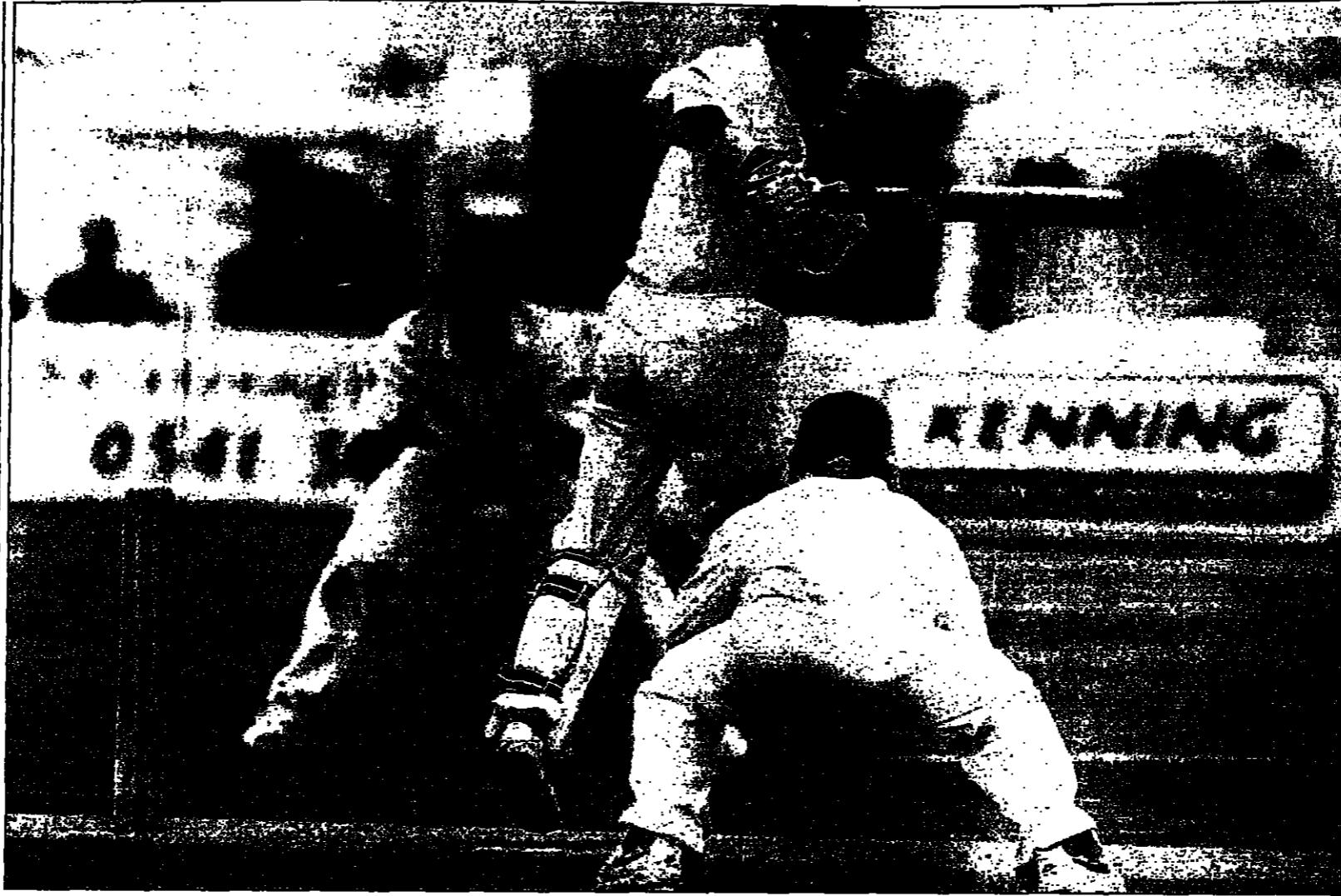
Faldo, however, does not give up easily. "I've played more Ryder Cups than eight or nine of the automatic places put together," he said yesterday at Forest of Arden, near Coventry, where he is supporting his Junior Classic Series.

"Right from the pre-event dinner you can tell the youngsters what is going to happen. It can help elevate their games to a level they've never been before."

"We are underdogs again, and that is why we must draw on our experience. I very much want to be there. I've played 10 in a row and I don't think this should be my last."

Ballesteros plays today with Sam Torrance and Paul Broadhurst. Other team contenders are paired together. "There is enough pressure as it is," said Roger Chapman, who plays with Olazabal and Joaquin Haeggman. Second place could be good enough for the Kenyan-born golfer to qualify, something he has done six times in his wireless career on tour.

Chapman, 38, was on the way to see his coach on Monday when his car, a BMW, spun off the road. He escaped shaken but unscathed. "I got a lesson over the phone instead and that seems to have worked," he said.



Nottinghamshire's Matthew Dowman clips a ball from David 'Syd' Lawrence on his way to 52 against Gloucestershire yesterday

Photograph: Peter Jay

Graceful Vaughan spurs Yorkshire

Cricket

DEREK PRINGLE

reports from Old Trafford
Yorkshire 247-3 v Lancashire

The whole of Lancashire appeared to be waiting for one thing yesterday, and it was not the Championship. As speculation grew over Michael Atherton's decision regarding the England captaincy, the Roses match went ahead without him, with Yorkshire dominating a rain interrupted first day, following a splendid century from Michael Vaughan.

With the Red Rose's challenge for the Championship having wilted long before the recent hot

weather, this was not the prickly contest tradition would have us believe. Indeed, having lost both their chairman, Bob Bennett, and their chief executive, John Bowler, in the space of a week, Lancashire, sporting the largest (14,000) membership in the land, are in a sorry state.

They can now look forward to a winter of ferment, with the securing of Shane Warne the only thing likely to appease their increasingly impatient members.

Lancashire's cricket is not too chipper at the moment either, and after a testing new ball spell by Peter Martin and Ian Austin had been negotiated, Yorkshire, currently fourth in the Championship, eased them-

selves into driving seat with all the confidence of a Michael Schumacher. Only when they lost Vaughan and David Byas in successive overs late in the day, was the Lancashire pulse felt.

Before his demise, playing loosely across an outswinger from Jason Gallian, Vaughan had played a faultless innings full of graceful drives. A tall wristy player, Vaughan's strokeplay recalled a less flamboyant Zabier Abbas, particularly the way in which he dismally eased Lancashire's two off-spinners to the midwicket fence.

It provided a languid contrast to Byas, who - arriving at the fall of Tony McGrath's wicket - was far more circumspect at the crease. Even so, the pair

added 153 for the second wicket before Lancashire managed to part them. Byas following Vaughan as he failed to clear Martin at mid-off.

Weakened by the absence of Wasim Akram and Glenn Chapple, Lancashire could ill afford to miss Atherton as well.

However, the England captain apparently requested this game in order to take his time, before announcing his decision to both selectors and the public.

Yet if most people expected him to stand down by the weekend - the England and Wales Cricket Board even booked a press conference room here for today and tomorrow - the silence is being interpreted as a sign that he may continue.

Certainly that was the impression given by David Graveney, the chairman of selectors. For those who know Atherton's singular mind, it is probably little more than wishful thinking.

"I've not spoken to Atherton," said Graveney yesterday. "If he'd made up his mind I'm sure he would have rung me. The fact that he hasn't suggests he is still thinking about it.

"We are meeting on Sunday to discuss logistics relating to the winter tour and that meeting will also give us the chance to consider our options. If Mike says no to the captaincy, it would also give us an opportunity to discuss things further."

Ealham gives Kent something to celebrate

DAVID LLEWELLYN

reports from Portsmouth

Hampshire 111-2 v Kent

It was not quite party time, but as birthdays go, Mark Ealham's 28th was not bad - once the weather relented, which it had by mid-afternoon. The Kent and England all-rounder came on straight after tea and by the time he took a well-deserved break two of the

Hampshire batsmen had been out snuffed out like so many birthday candles.

There was little surprise among the Hampshire faithful when the captain, John Stephenson, lost the toss, after all he had won not the previous six in the Championship, but what did raise eyebrows was the decision of his opposing captain, Steve Marsh, to field.

Perhaps the greenish tinge on the pitch persuaded him that there would be something in it for his bowlers. As things turned

out there was not, but that was understandable. Just two weeks ago, on a pitch not far from the present one, more than 1,200 runs were amassed for the loss of 27 wickets when Yorkshire were the visitors.

On that occasion Giles White scored his maiden Championship century and the way he anchored himself at one end last night suggested that a quick follow-up would be a distinct possibility. He at least was not going to give Ealham his wicket.

Jason Leach had not looked that much at ease, the odd suddenly timed and placed shot

added to Matthew Hayden's prolific Australian. The left-hander had looked comfortable against the pace of Dean Headley and Ben Phillips, but the birthday boy was a different matter. He hardly seemed able to lay a bat on the ball and when Ealham eventually held one back it brought him a gift of a wicket as Hayden chipped the ball tamely to Headley at mid-off.

Jason Leach had not looked that much at ease, the odd suddenly timed and placed shot sandwiched between stretches of uncertainty. He was still desperately unlucky to be dismissed the way he was. But the gods were smiling on Ealham.

Leach shaped to drive a delivery through the off, instead edged on to his left boot and thence to the stumps. Robin Smith, another century-maker against Yorkshire, and White, managed to steer Hampshire safely through to the close on an appropriate score given the proximity of the HMS Victory.

No play yesterday

LEICESTER Leicestershire v Glamorgan

Fourth Women's One-day International

England v South Africa

South Africa 100 not out v England 100 not out

England 100 not out v South Africa 100 not out

South Africa 100 not out v England 100 not out

England 100 not out v South Africa 100 not out

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